

# **PPA**

## **Annual Performance Report**

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## ACRONYMS

ANSAB	Asia Network for Sustainable Agriculture and Bioresources
CBFE	Community Based Forest Enterprise
CF	Community Forest
CoC	Chain of Custody (Certification)
CSIDB	Cottage and Small Industries Development Board
DDC	District Development Committee
DFO	District Forest Office
DoF	Department of Forests
DPR	Department of Plant Resources
FECOFUN	Federation of Community Forestry Users, Nepal
FM	Forest Management
FNCCI	Federation of Nepalese Chambers of Commerce and Industries
FSC	Forest Stewardship Council
FUG	Forest User Group
GAC	Gorkha Ayurved Company (P) Ltd.
GCP	Global Conservation Program of USAID
GMP	Good Manufacturing Practices
HBTL	Himalayan BioTrade Pvt. Ltd.
HJSS	Himali Jadibuti Sarokar Samuha
HMG	His Majesty's Government
HPPCL	Herb Production and Processing Company Limited
HNTFPCC	Herbs and Nontimber Forest Products Coordination Committee
M&E	Monitoring and Evaluation
MFSC	Ministry of Forests and Soil Conservation
MIS	Marketing Information System
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
NNN	Nepal NTFP Network
NSCFP	Nepal Swiss Community Forestry Project
NTFP	Non-Timber Forest Product
P&C	Principles and Criteria
PPA	Public Private Alliance
RA	Rainforest Alliance
Rs.	Nepali Repees (US \$1 = Rs. 74)
SDC	Swiss Agency for Development and Cooperation
SNV	Netherlands Development Organization
US	United States
USAID	United States Agency for International Development
VDC	Village Development Committee
FY	Fiscal Year

## I. INTRODUCTION

The goal of the Certification and Sustainable Marketing of Non-Timber Forest Products (NTFP) alliance project is to link Nepal and foreign NTFP buyers, Nepali producers, and NGO and government programs assisting the NTFP sector in order to:

- increase incomes and employment for Nepal's NTFP producers (especially in remote rural areas);
- promote sustainable resource management;
- institute a certification program for NTFPs in Nepal; and
- expand responsible buying practices among industry members in the West.

This alliance brings together U.S. product buyers and designers (Aveda and its extended industry contacts of the American Herbal Products Association); certification expertise (Rainforest Alliance); a diverse range of Nepali companies (Himalayan BioTrade Pvt. Ltd. and Gorkha Ayurved Company (P) Ltd); Nepali Networks and NGOs (Asia Network for Sustainable Agriculture and Bioresources – ANSAB, Nepal NTFP Network, Himali Jadibuti Sarokar Samuha, and Federation of Community Forestry Users, Nepal); and donors (The Ford Foundation, SNV, and SDC) that have been developing community forest user groups and NTFP industry coordination within Nepal. Aveda and Rainforest Alliance are international partners in the alliance and bring global cutting edge industry and certification expertise to the alliance.

The alliance members have worked together to contribute ideas and direction to the project proposal as well as work plan and its implementation. Each of the alliance members has a proven track record in their area of expertise, and the alliance activities have great potential for replication across Nepal as well as other parts of the world. With its solid track record in coordinating the Nepali partners and delivering NTFP enterprise and forest management services to community forest user groups, ANSAB has been coordinating overall alliance activities by holding meetings, providing business development services to NTFP enterprises, and administering product design and product development research grants in order to achieve the following specific objectives of the project.

- 1) Promote Community Based Forest Enterprises (CBFE) to ensure sustainable use of NTFP, alleviate poverty in rural areas, and consolidate Forest User Groups' supplies to make attractive to buyers;
- 2) Implement certification model for Nepal that takes into account its NTFP and forest user group (FUG) resources and encourages good governance of community resources;
- 3) Improve and maintain quality and consistency of Nepali NTFPs;
- 4) Gain better market position for Nepali NTFP in international markets; including exploration of certification options and design coordination with buyers;
- 5) Educate NTFP buyers on how to support Nepal NTFP industry to achieve sustainable long-term supplies of quality products;
- 6) Lobby for an enabling policy environment for free and fair trade practices.

This annual performance report presents the progress of the PPA project, which is principally funded by USAID Nepal, for the period from October 1, 2003 to September 30, 2004.

## II. SUMMARY OF MAJOR ACCOMPLISHMENTS

In FY 2003/04, the alliance has made a good progress in promoting forest certification and sustainable marketing of NTFPs. In this period, the alliance activities contributed to sell 602,865 kg of raw as well as processed NTFPs (from the pilot districts and through the alliance companies), which amounted to Rs. 35,130,254. A total of 5,334 households have directly benefited from the project activities and 1,209 individual got employment in the NTFP activities. The employment from the NTFP activities increased by 16% during this reporting period. The alliance companies (HBTL, GAC, and AHI) marketed NTFPs and their products worth around Rs. 29,123,550, which is 30% more than the baseline period. The monitoring study indicates that the total production volume (kg) of HBTL, GAC and AHI increased by 21% compared to the baseline information.

The alliance promoted certification as national priority agenda (strongly recognized by FECOFUN and other organizations/members) – a way to bring forest management advancement and consistency to FUGs, prepared NTFP certification interim guidelines, developed group certification system, expanded technical and institutional capacity to forest user groups and other key stakeholders, and prepared and communicated Resource Manager's policy and guidelines. In this reporting period, a total of 11,209 participants were involved in the various levels of training, workshops, meetings, and household level orientation and coaching events. The alliance built awareness and capacity in certification and sustainable forest management at community level by organizing over 268 settlement level training, workshops, and meetings for 7,122 participants (male 4,633 and female 2,489) and organizing household level orientation and coaching for 2,728 households. Similarly, 1,235 participants were involved at the district level training, workshops, and meetings in this period. In addition, 124 national level participants were trained through international training and exposure (2), assessors training (36), group forest certification to FECOFUN (8), leadership and forest certification to FECOFUN (34), sustainable forest management and forest certification (22), and FSC Chain of Custody certification (22). So far, 6 participants have been involved in international training/exposure visits.

The alliance project developed an exemplary operational plan in the spirit of FSC forest management principles and criteria (P&C) and indicators. With the project support, FUG constitutions have been revised for 11 FUGs comprising over 2,752 HHs. Forest inventories were completed for 11 FUGs covering over 10,035.5 hectares of forests. Operational Plans (OPs) of 11 FUGs were reviewed, gap analyzed and OP revised for these 11 FUGs. Apart from these FUGs, 11 potential FUG members received orientation training on sustainable forest management and forest certification in Dolakha. In this period, a total of 9,850 participants (8,314 from the 11 FUGs in the certified pool and 1,536 from the potential FUGs) were provided settlement as well as household level capacity building support.

The alliance supported in product design and development work which resulted into development of pain relief oil- Nico (HBTL), soap from Pagar fruit (Rara soap enterprise), new handmade paper products from agricultural residues (Malika hand-made paper), and Chiu cream from Chiuri ghee (Alternative Herbal Industries). GAC has been developing new products-Herbo malt, Dentache oil, herbal soap, herbal tea, and Ayurvedic medicines. Similarly, HBTL is working on product development from Argeli.

The alliance efforts on network development and NTFPs marketing have made a promotion push for Nepali NTFPs in national and international markets through market information services, industrial leadership conference, and promotional activities (sample distribution, packaging and labeling). International market assessment for Lokta paper was conducted to provide feedback to HBTL to develop marketing strategies for the US market. The capacity of CBFs and alliance

companies (GAC, AHI, HBTL, Malika, and other community enterprises) was strengthened in marketing and business promotion.

Shree HERBIL (a marketing network of 5 FUGs) was registered and initiated local level business. Support was extended to develop an Allo network in Bajhang and 22 local level processors trained for three months. As a result, 15 micro-enterprises have been registered and are planning to produce Allo thread from coming season which begins in November. A network for consolidated supply of forest products is being developed in Charikot area. With a lead role from Nepal Swiss Community Forestry Project (NSCFP), a network enterprise in Jiri area is being developed (7 FUGs). The domestic trade networks and linkages development efforts improved marketing of NTFPs. For example, value added products worth over Rs. 2.5 million were sold through HBTL in this reporting period. In addition, Nepali NTFPs (essential oils and handmade paper) worth over Rs. 1.5 million were exported to the US markets in this reporting period. To facilitate the trade on NTFPs, the alliance also provided market information services including price and market information for 22 products in other districts, and our preliminary feedback from communities indicates they are generally receiving higher prices for their NTFPs as a result of the market information.

On the policy front, this year activities were built on the previous year activities that included policy review workshops in 9 districts to generate grassroots and district level feedbacks and a national policy workshop on NTFPs. The alliance provided the policy recommendations to Herbs and NTFPs Coordination Committee/MFSC and contributed to drafting a new NTFP policy of MFSC/HMG, which is now approved by the cabinet and is being implemented in Nepal.

### III. DESCRIPTION OF ALLIANCE PERFORMANCE

#### a) Activities Planned for Year 2003/2004

**Table 1: Alliance Activities for Year 2003/2004**

Activity Number	Activity Title
<b>Objective 1: Promote Community Based Forest Enterprises...</b>	
1.a	Alliance activities review and planning meeting and work plan finalization
1.b	Selection and prioritization of FUGs/CBFEs
1.c	NTFP marketing network development and enterprise promotion
1.d	Marketing Information support system
1.e	Enterprise and management training
1.f	Monitoring and evaluation plan and impact tracking
1.g	Alliance coordination: coordination, visioning, marketing group and sustaining certification
1.h	Documentation of best practices and lessons learned
1.i	Village trust
<b>Objective 2: Implement certification model for Nepal...</b>	
2.a	Information collection and documentation on NTFP certification models
2.b	Requirement analysis and development of system for group certification
2.c	International training on certification
2.d	Institutional development and organizational support to FECOFUN
2.e	FUG capacity building and improvement of operational plans
2.f	Install a pilot certification system in Nepal
2.g	Certification trainings/workshops
2.h	Publication on NTFP certification initiatives in Nepal
2.i	Exposure visits

<b>Objective 3: Improve and maintain quality and consistency of Nepali NTFPs</b>	
3.a	Training to farmers, FUGs, and CBFs on NTFP cultivation, harvesting, processing, and marketing
3.b	Technical support to CBFs on GMP
3.c	Promotion of certification program with NTFP industry
3.d	Product certification
3.e	Coordination for quality testing facilities in Nepal
<b>Objective 4: Gain better market position for Nepali NTFP in international markets...</b>	
4.a	Product selection and product design option exploration
4.b	Product design and product development
4.c	Training on product development and marketing to CBFs
4.d	Product development and marketing study visit for PPA alliance members
4.e	International market assessment and linkage development
4.f	Nepali NTFP promotion
<b>Objective 5: Educate NTFP buyers on how to support Nepal NTFP industry...</b>	
5.a	Promotion of Nepali NTFPs and certification initiatives in NTFP industry abroad
5.b	Industry leadership conference in US
5.c	Documentation and dissemination of NTFP related issues
<b>Objective 6: Lobby for an enabling policy environment...</b>	
6.a	Review and analyze NTFP policy
6.b	Organize forums for policy advocacy

## b) Activities Progress and Achievements

### Objective 1: Promote Community Based Forest Enterprises...

#### *1.a. Alliance activities review and planning meeting and work plan finalization*

Draft work plan preparation: Building on the last year's accomplishments and experience and the inputs provided by the alliance members, the draft work plan was prepared and shared with the alliance members and USAID. While preparing the draft work plan, Nepali alliance members reviewed the last year's performance and contributed their ideas to develop the work plan. The proposed activities in the draft work plan were discussed with Nepali alliance members-FECOFUN, Gorkha Ayurved, and Himalayan BioTrade. To discuss the work plan with Nepali and U.S. based alliance partners face-to-face, alliance activities review and planning meeting was held in January 2004.

Alliance meetings for alliance progress review and planning: A meeting among Nepali alliance members and key stakeholders was held on January 2, 2004 in Kathmandu, where representatives from FECOFUN, SNV, MFSC, DPR, DoF, NSCFP, HJSS, HBTL, NNN, ANSAB, and USAID were present. The meeting reviewed the progress of the alliance activities in the past and discussed on the work plan. The meeting also discussed on the alliance coordination mechanism and identified the agenda for the alliance activities planning meeting. The meeting proposed a Nepali alliance members meeting on January 6, 2004 to revisit the alliance draft work plan and develop an action plan for the alliance activities. As planned, Nepali alliance members (FECOFUN, ANSAB, HJSS, HBTL, and GAC) revisited the draft work plan on January 6, 2004 and prepared a detailed action plan for year 2.

Alliance activities planning meeting and proceedings of alliance meeting: The alliance organized a two day long Annual Review and Planning Meeting of Certification and Sustainable Marketing of Non-Timber Forest Products - Private Public Alliance (PPA) on January 9-10, 2004 at Godavari, Kathmandu. Representatives from all alliance member organizations and key stakeholders were



present in the meeting. They include Aveda, Rainforest Alliance, HBTL, GAC, AHI, NNN, HJSS, NSCFP, DPR, DoF, IDRC, Ford Foundation, SNV, and ANSAB. The objective of the meeting was to review the alliance progress in year one, to finalize the year two work plan, and to share experiences of the alliance members on forest certification and NTFP promotion.

Several presentations and discussions were made on highlighting the alliance progress, group forest and NTFP certification model and process, NTFP marketing and sustainable business model, and organic production system and organic certification of NTFPs in South Asia. A documentary show of "In Search of Yarsagumba A Trans-Himalayan Journey" produced by ANSAB was organized to provide the participants insights on the NTFP collection and trade. The alliance members and participants reviewed the draft work plan for year 2 and discussed on several issues and ideas to improve the work plan and coordination mechanisms. The participants also discussed further on sustaining certification initiatives, product development and meeting the buyer requirements, and international marketing. The meeting contributed to enhance coordination among the members and finalized the work plan for year 2. After the meeting, the proceedings of the alliance meeting prepared and distributed to alliance members. The proceedings of the alliance activities planning meeting are provided in **Annex 1**.

Finalization of work plan and approval: The work plan prepared beforehand served as a basis for discussion during the alliance activities planning meeting and other planning processes. With the several rounds of inputs from the alliance members and USAID during the various occasions, more importantly during the Nepali alliance sharing meetings and alliance activities review and planning meeting (Annual Review and Planning Meeting), the work plan was further revised and finalized. The final work plan was shared with alliance members and submitted to USAID. USAID needed further justifications and additional information on the alliance work plan to approve, and finally USAID approved the work plan in mid of May 2004. The approved work plan was shared with all the alliance members.

### *1.b. Selection and prioritization of FUGs/CBFs*

Prioritization criteria development and geographical areas selection: Based on the criteria set in year one, potential FUGs to be included in the pilot initiatives of forest certification in Dolakha and Bajhang were selected. During the workshops and meetings organized for network development and stakeholder coordination, 16 potential FUGs in Jiri and Charikot areas were first identified. In March 11, 2004, a meeting was organized among district level key stakeholders (DFO, FECOFUN, ANSAB, NSCFP, ECARDS, and entrepreneurs) to review the list of FUGs prioritized last year and assess the FUGs identified as potential for the certification program. From this meeting, 10 FUGs were further screened. The prioritized FUGs were Bhitleri, Charnawati, Bolteseti Devi, Suspa, Jhareni, Thulonagi, Kalobhir, Sankkha Devi, Bhatekhola, and Kangsesetep. Furthermore, on March 17, 2004, ANSAB and FECOFUN undertook a field visit to FUGs and interacted with the prioritized FUG members in Dolakha. During the visit, FECOFUN examined the FUG capacity and interest for forest certification. After the visit, a meeting organized at Dolakha FECOFUN office selected 6 FUGs for the pilot forest certification.

Similarly, in Bajhang, a meeting among FECOFUN, ANSAB, and other key stakeholders (FUG representatives, HJSS, DFO, CARE, and Social Development Center) was organized on April 4-5, 2004 to review the list of FUGs identified last year and selected the FUGs for the pilot forest certification initiatives. The meeting assessed the interest and capacity of potential FUGs for forest certification and selected 6 FUGs for the pilot certification activities in 2004.

The selected FUGs in Dolakha and Bajhang are given in **Table 2** below.

**Table 2: Selected FUGs in Dolakha and Bajhang for Pilot Forest Certification**

SN	FUG NAME AND ADDRESS
1	Bhitteri FUG, Boch 1-3, Dolakha
2	Charnawati FUG, Vimeshwar 13, Dolakha
3	Thulonagi FUG, Jiri 8 & 9, Dolakha
4	Kalobhir FUG, Jiri 7, Dolakha
5	Suspa FUG, Suspa 6, 8 & 9, Dolakha
6	Jhareni FUG, Sundrawati 4 & 7, Dolakha
7	Shree Binayak Pimidanda, Kailash 1-7, Bajhang
8	Lahare FUG, Gadaraya 1, 8 & 9, Bajhang
9	Binayak FUG, Gadaraya 2, 8 & 9, Bajhang
10	Hemantawada FUG, Hemantawada 1-9, Bajhang
11	Ranada FUG, Kotdewol 1-3, Bajhang
12	Latoon FUG, Rilu 4 & 5, Bajhang

*I.c. NTFP marketing network development and enterprise promotion*

The alliance organized several workshops and interactions to develop networks of FUGs and CBFs and to promote community based forest enterprises. With the project and the alliance members' support, four network enterprises are being developed. These include: i) ShreeHERBIL, ii) Allo processing, iii) Kalinchok enterprise, and iv) Everest Gateway. In addition, enterprise development support was extended to Mugu to develop Rara soap making enterprise which started production of soap for local market in April 2004.

*ShreeHERBIL Network:* With the support to organize various planning meetings and workshops for network development, ShreeHERBIL (a marketing network of 5 FUGs- Shree Binayak Pimidanda FUG, Hemantawada FUG, Ranada FUG, Binayak FUG, and Lahare FUG) in Kailash area of Bajhang was developed, and a draft business plan was worked out to deal in the NTFPs available in the FUGs represented by the network. The network enterprise has been registered as a cooperative and is initiating local level activities to market NTFPs in Bajhang. The network plans to consolidate the supply of the NTFPs available in the area and undertake organized marketing of select NTFPs.

*Allo product network:* A network for *Allo* production and marketing is being developed in Bajhang to produce, process, and market *Allo*. The households involved in *Allo* collection and processing are being networked and trained for *Allo* production and trade. In October 2003, a market survey for *Allo* products in Kathmandu, Lalitpur, and Bhaktapur was undertaken to assess the market potential for the *Allo* products in the country. The survey showed that *Allo* thread that can be produced by the communities can be sold in the Kathmandu valley. With the feedback from the market survey and preparatory work on the network development, training was organized for 21 local level potential processors (of which 4 female) for three months to train them on *Allo* fiber processing and thread making. With the result of the training and the networking activities, 15 micro-enterprises have been registered and they are planning to produce *Allo* thread from this season (November).

Similarly in Dolakha, two networks are being developed, one in Jiri area and the other in Charikot. Both networks plan to undertake handmade paper processing and NTFPs trading activities in the

district. The project is supporting the network enterprises in feasibility study, business planning, organizational management, and skill development areas.

Kalinchok Multipurpose enterprise: Last year, technical support was provided to 15 FUGs and entrepreneurs to develop a network enterprise in Charikot area. With the alliance support, a cooperative enterprise called Kalinchok Ban Paidawar Utpadan Tatha Prasodhan Bahuudeshya Sahakari Sashta (Kalinchok multipurpose enterprise) is being developed. The cooperative was supported on network strengthening and business planning for management of consolidated supply of forest products. A series of meetings organized and finally a consultation workshop held in Charikot to develop an action plan of the cooperative in Dolakha. To support on its business planning, a market survey for Lokta paper and Pine timber in Kathmandu was undertaken. A stakeholder workshop on business planning of the cooperative was organized in Charikot. With the inputs from these events and several meetings among the cooperative members, a preliminary enterprise development plan of Kalinchok cooperative has been prepared. The cooperative is developing its legal charter and other legal documents for registration purpose.

Shree Everest Gateway Forest Products Pvt. Ltd: With a lead role from NSCFP- a consolidated enterprise in Jiri area is being developed. Seven FUGs (Kalobhir, Thulonagi, Buddha, Pathivara, Baishakheshwori, Hanumanteshwor and Kansesetep) from Jiri area are involved in the network activities. A draft business plan of the network enterprise has been completed and the enterprise is registered with the Office of the Company Registrar in Kathmandu. The enterprise includes poorest of the poor households, FUGs, and private sector as its stockholders and is planning to initiate its business with production of Lokta handmade paper in 2005.

Linkages development and NTFP market promotion: HBTL has committed to strengthen its business linkages to community based forest enterprises, especially essential oils and handmade paper producing companies. HBTL has been supporting to market essential oils and Nepali handmade paper produced by community enterprises. Over Rs 3 million worth of NTFPs was traded in the domestic market in year two through HBTL and its networks. In Dolakha, apart from the two networks that are being developed, Devdhunga cooperative has established linkages with surrounding FUGs for consolidation of wintergreen supply and has been processing and marketing the wintergreen oil. In Bajhang, Malika has extended and strengthened linkages with the FUGs around (Shree Binayak Pimidanda, Binayak, and Ranada) to source Lokta bark for its operations. HBTL has signed a memorandum of understanding (MOU) to Malika handmade paper enterprise, Himalayan handmade paper enterprise, and Masta Gharelu paper in Bajhang. Similarly, it has extended business linkages with Pandit Kamala forest products processing enterprise, and Jirel Nepali Kagaj Udyog in Dolakha as well as Humla Oil in Humla to market the paper and essential oils from the community enterprises. HBTL is also contributing to develop network enterprises in Charikot and Jiri areas of Dolakha.

The relationship between GAC and HBTL has enhanced. These enterprises are exploring possibilities of using each other's services for sourcing raw materials and marketing their products. HBTL supported community based enterprises to market handmade paper and essential oils from the districts. With this support, select community based enterprises in the pilot districts and Humla marketed NTFPs worth around Rs. 3,019,400 in 2003/04. **Table 3** provides the sales of handmade paper and essential oils from the select CBFs this year. In addition, the GAC and AHI purchased NTFPs worth around Rs. 8,093,066 (GAC- Rs. 7,348,000 and AHI- Rs. 745,066) in this period. The alliance companies have contacted several buyers and have been trying to promote Nepali NTFPs in international and national markets.

Table 3: Total sales of handmade paper and essential oils from select CBFs

Name of CBFE	Products	Quantity (Kg)	Amount in rupees
<b>Dolakha</b>			
Pandit Kamala Forest Products Processing Pvt. Ltd.	Lokta Paper		105,875
Jirel Nepali Kagaj Udyog, Dolakha	Lokta paper		48,000
Deudhunga Multipurpose Cooperative	Wintergreen oil		503,750
<b>Sub-Total</b>			657,625
<b>Bajhang</b>			
Malika hand made paper enterprise	Lokta paper		286,250
Himalayan Handmade Paper Enterprise	Lokta Paper		412,500
Masta Gharelu paper	Lokta		93,000
<b>Sub-Total</b>			791,750
<b>Humla</b>			
Humla oil Pvt. Ltd	Jatamansi oil		1,570,000
<b>Total</b>		<b>3769</b>	<b>3,019,400</b>

#### *1.d. Marketing Information support system*

ANSAB has been maintaining a marketing information support system for NTFPs in Nepal. It has been providing price, technology, quality, and buyers contact information to various development organizations, NNN members, FECOFUN, and through its local partners to district based traders and development organizations, and FUGs and NTFP collectors. For the marketing information system, ANSAB has leveraged funds from ICCO Interchurch Development Organization (ICCO).

In year 2003/04, ANSAB expanded the list of NTFPs from 22 to 32 for regular market information and increased the MIS outreach as well. Market information, primarily price and buyers, in major market centers in Nepal and India (Nepalgunj, Kathmandu, Lucknow, Delhi, Birendra Nagar, and Tanakpur) for major 32 products (Alainchi, Amala, Amalbed, Atis, Baro, Bhutkesh, Bishjara, Bojho, Chiraita, Dalchini, Guchhi Chyau, Ginger, Harro, Jatamansi, Kakarsinghi, Majitho, Nirmasi, Padamchal, Pakhanbed, Pipla, Rittha, Satawari, Satuwa, Sikakai, Silajit, Sugandhakokila, Sugandwal, Suntho, Tejpat, Timur, Yarshagumba) was collected and disseminated to the organizations working in NTFPs and through ANSAB partner NGOs and field staff to FUGs, local traders and communities in Ilam, Dolakha, Nepalgunj, Birendranagar, Karnali region, Bajhang and Darchula. On the demand basis, ANSAB provided information on processing technology, demand, business management, and promotion services to the entrepreneurs, NGO and project facilitators and community based organizations outside the project and above mentioned districts. The price information has also been used by other stakeholders. **Annex 2** provides a sample sheet of NTFPs price information.

This year ANSAB expanded its price information system in mid and eastern part of the Nepal. It has established regional market information center in Ilam and Nepalgunj. The regional market information centers have provided market information to FUG members, local traders, small processors, and other stakeholders interested in the marketing information. The regional level centers also collect the market information and supply to the Kathmandu office. The available data from regional offices have been analyzed and circulated to broader audiences.

Similarly, in Dolakha, Bajhang, Surkhet, Darchula and Dolpa, district level market information centers were established. These centers have been providing production, processing and value

addition, and marketing related information to the FUG members, small producers, and local traders. FECOFUN Dolakha has prepared a bulletin board which is put up at Sat-Dobato where several people visit daily. The board has also been used to disseminate certification activities in the district. In Bajhang too, a bulletin board has been put up and market information is disseminated through various means. ANSAB and FECOFUN are exploring the possibility of disseminating market information through FECOFUN network.

*1.e. Enterprise and management training*

Entrepreneurship development: An Entrepreneurship Development Training was held along with District Forest Office on June 21-24, 2004 in Dolakha for potential entrepreneurs, FUG leaders, traders, and community based enterprises. 22 participants were trained on various aspects of entrepreneurship and enterprise management. Most of the participants were from the Kalinchok Cooperative. The training covered mainly the enterprise selection, enterprise development planning, business plan preparation, and enterprise management. The participants developed a draft business plan for Lokta, Argeli, Machhinno and sawn timber.

Enterprise management training workshop support to Kalinchok Enterprise: A workshop on exploration of networking opportunities among the FUGs producing NTFPs was organized on December 2, 2003 in Dolakha. 22 participants including FUG members and district level stakeholders were present in the workshop. The workshop discussed about the enterprise development options and various ways of marketing of NTFPs from the district. The workshop proposed to establish a Kalinchok Ban Paidawar Cooperative to market the NTFPs from Charikot area. The workshop identified major six NTFPs that have potential for marketing and enterprise development purpose. Those products are Lokta, Argeli, Chiraito, Machhino, Lauthsalla, and Allo. During the workshop, a taskforce set up to recommend on the enterprise options presented the major recommendations regarding the enterprise options in the district. The workshop decided to seek a broader level consultation with FUG members towards the end of the December 2003.

As a follow up activity, on December 20-21 2003, the network members organized a workshop at Charikot. A total of 35 network members including private entrepreneurs and district level stakeholders like FECOFUN, DFO staff, staff from cooperative office, local traders, and representatives from district office of cottage and small industries participated in the workshop. The major objective of the workshop was to seek ideas from the participants on network development and NTFPs marketing. The participants also discussed on forest certification and its likely impact on NTFP marketing during the workshop. The workshop formed a seven-member taskforce to draft a legal document required to register a cooperative. The workshop decided to prepare a business plan for the selected products.

Enterprise management and training support to Allo entrepreneurs: As the Allo was found among the most potential products for enterprise development, six settlement level meetings were organized in Allo production area. The meetings were conducted in Pariban, Daya, Masta, Tuti, Dhanatoli, Dantola and Rilun with FUG leaders and village level entrepreneurs. The major objective of the meetings was to assess the potential of Allo enterprise, develop Allo production mechanism, and identify major problems and constraints for the Allo enterprise. A total of 155 FUG members including 70 female members were participated during the meetings. From the meetings, it was realized that the alliance had to provide a technical training to improve the quality of Allo thread. To support the enterprise development activities, a training course on Allo product development

was organized from February to April 2004 to 21 potential entrepreneurs in the district (see 4.c for details).

Apart from the four consolidated networks, five NTFPs traders were met in an individual basis in Bajhang to share their network experiences on NTFPs collection and selling. The traders realized the need of new network for sustaining in the market. They added on if ShreeHERBIL can play networking role, they will join and invest in the HERBIL activities. Similarly, a meeting was held on September 2, 2004 to develop a new network of Lokta entrepreneurs to best utilize the Lokta bark within the district in a sustainable manner. Four district level Lokta entrepreneurs participated in the meeting. The participants made a commitment not to sell raw Lokta outside if there is demand and opportunity to process it within the district.

#### *1.f. Monitoring and evaluation plan and impact tracking*

According to the monitoring and evaluation plan of the PPA project, information was collected from the two pilot districts namely Bajhang and Dolakha for the Nepali fiscal year 2003/2004 (July 17, 2003-July 15, 2004) using the procedures and formats as explicated in the PPA M&E Plan and the guidelines used for base line data collection. In the spirit of the objectives and indicators set in the plan, the data were collected, verified and validated using a variety of methodologies such as FUG and CBFs survey and records, focus group discussions, district forest office records, district level workshops, review of relevant publications/documents and PPA meeting minutes, and meetings and discussions with relevant stakeholders. The overall progress clearly indicates that the project activities are on track towards achieving its goal and objectives with increasing nationwide impacts on sustainable forest management and NTFPs marketing despite the ongoing insurgency and difficult scenario of the country. The progress is tracked district wise, but the information is also aggregated for the both pilot districts. **Table 4** below provides the alliance progress on the monitoring indicators during the period. The M&E report is provided in **Annex 3**.

**Table 4: Total Production, Gross Sales and Employment**

Indicators	Total of pilot districts-Baseline	Total of pilot districts - 2004	%-change in Total	Bajhang - Baseline	Bajhang -2004	%-change-Bajhang	Dolakha - Baseline	Dolakha -2004	%-change-Dolakha
Total production from district (kg)	632041	550383	-13%	97061	61235	-37%	1476	489148	-9%
Gross sales from districts (Rs.)	8626233	9980753.98	16%	2075240	2068315	0%	3261678	7912439	21%
Total production from FUGs (kg)	203600	467519	130%	8000	5600	-30%	195600	461919	136%
Gross sales from FUGs (Rs.)	2530703	6318797.98	150%	192000	134400	-30%	2338703	6184398	164%
Total production from district CBFs (kg)	2876	3074	7%	1400	2116	51%	1476	958	-35%
Gross sales from district CBFs (Rs.)	1448175	1308375	-10%	525200	698750	33%	922975	609625	-34%
Total production from HBTL,GAC,AHI (kg)	50042	60,579	21%						
Gross sales from HBTL,GAC,AHI	22385623	29123550	30%						

(Rs.)									
Employment	1043	1209	16%	96	136	42%	947	1073	13%

In this period, the alliance activities contributed to sell 602,865 kg of raw as well as processed NTFPs (from the pilot districts and through the alliance companies), which amounted to Rs. 35,130,254. A total of 5,334 households have directly benefited from the project activities and 1,209 individual got employment in the NTFP activities. In this period, the alliance companies (HBTL, GAC, and AHI) marketed NTFPs and their products worth around Rs. 29,123,550, which is 30% more than the previous year. The gross sales of GAC stood around Rs. 23,910,000. Similarly, HBTL sold handmade papers and essential oils worth around Rs. 3,516,432 and AHI sold its NTFP products worth around Rs. 1,697,118 in this period.

The total production of the pilot districts was found decreasing as compared to the baseline information. The reason behind this was that as reflected in the field the collection of NTFPs became cumbersome due to persistent insurgencies and the hurdles thereby for the transportation of the collected products. However, the total gross sales of the two pilot districts was increased which also indicated that the bargaining power of the local communities have increased through market information services as well as they were found to be switching towards high value NTFPs. In Dolakha, the total production from CBFs was found decreasing due to the fact that the sale of essential oil (wintergreen) was reduced during the reporting period. Through sourcing materials from FUGs, the alliance companies (HBTL, GAC and AHI) have increased their products and sales as compared to the base year. Moreover, the FUGs in particular have increased their production and sales, which indicated that the project intervention has made positive impacts on FUGs production capacity. As intended by the PPA project the international trade of NTFPs through HBTL amounted to Rs. 2.5 million during the reporting period, which used to be non-significant in the base line year. As clearly indicated in the project document, in the long run, the main purpose of the project initiative is to achieve sustainable harvesting, and it does not necessarily need to increase total production. These results have also indicated that without increasing production, gross sales in total are found to be increased.

*I.g. Alliance coordination: coordination, visioning, marketing group and sustaining certification*

ANSAB has been implementing this project in collaboration and cooperation with other alliance members and stakeholders. For the alliance coordination, 3 sharing meetings were organized and marketing group was set up this year.

Alliance sharing meetings: A total of 3 alliance sharing meetings were organized to share the progress of the alliance activities, and plan and coordinate for the future activities. The Nepali Alliance sharing meeting held on April 9, 2004 reviewed the progress made by the alliance in the second quarter of the year and discussed on the activities plan and strategies for the third quarter and ahead (The minutes in **Annex 4a**). Similarly, the Nepali Alliance sharing meeting held on June 11, 2004 reviewed the progress of the last two months and developed a plan for the period ahead to achieve its objectives. During the meeting, the Nepali alliance members also discussed and prepared an alliance vision (The minutes in **Annex 4b**). The third Nepali alliance sharing meeting was organized on August 16, 2004. As in the last sharing meetings, the meeting was participated by HBTL, GAC, FECOFUN, SNV, DPR, ANSAB, and USAID. The meeting shared the major achievements of the project (The minutes in **Annex 4c**). These sharing meetings contributed to developing alliance activities implementation plans and helped coordinate the alliance activities.

In addition to the alliance sharing meetings at the central level, district level sharing meetings were organized in pilot districts. In Dolakha, the forum of district forest office was used to share the progress of the alliance. The forest certification issues and agenda were discussed during DFO bi-monthly sharing meetings on March 17, May 17, July 20, and September 21, 2004. These meetings were useful to coordinate the PPA activities in the district.

In Bajhang, five FUG level coordination meetings were organized (June 26, July 31, August 8, August 25, and September 22, 2004) in Chainpur Bajhang. The participants were the FUG leaders and district level stakeholders. A total of 128 participants (22 district level and 106 community level) were present in these meetings. During the meetings, the participants shared their experiences and best practices on sustainable forest management in community forests and developed common practices for forest management.

Alliance vision: As planned in the alliance planning meeting, alliance members made an effort to develop an alliance vision. During the alliance meeting held on June 11, 2004 the alliance members discussed and proposed a vision, and circulated to the Nepali and US based alliance members. Alliance members envisioned the following vision to step forward in the future: *The alliance, which is instituted by local producers, responsible entrepreneurs, and environmental NGOs, is committed to uplift the poor and deprived members of local communities through sustainable management of the forest and processing of forest products at local level for the national and international markets.* The alliance has planned to finalize this vision during its meeting in January 2005.

Marketing group: At the alliance annual meeting, it was decided to form a marketing group that would work on improving marketing gaps in reaching export markets. The marketing group, which includes AHI, GAC, HBTL, ANSAB, Aveda, RA, and Ms. Ann Koontz, was established in January 2004 to better coordinate promotion and marketing of Nepali NTFPs international markets. The group has served as a focal point for all the international marketing efforts of the project. Ms. Koontz, Dr. Hircock, and Mr. Smith in coordination with Alliance Coordinator agreed to work for the US market promotion of Nepali NTFPs and support on actual orders and improvements on customer service. David identified several buyers, and Ms. Koontz and ANSAB staff worked with the Nepali suppliers to service the information requests, negotiate the sale, and complete the sales. With Alliance Coordinator and the marketing group efforts, handmade papers and essential oils worth over Rs. 2.5 million were sold to the US markets in this period. The sales are anticipated to be the start of long-term buying relationships.

The marketing group also identified few issues, which have improved customer relations. These are: 1) Coding of product lines that are tied to standard descriptions of the products sometime there was confusion on what the buyer wanted); 2) Preparation of order confirmation sheets that are sent to the buyers before final invoice and allow greater clarity between the buyer and the seller; and 3) Better understanding of shipping options and actual experience working with a larger buyer's broker in the U.S. to clear the shipment through US customs, and information on when Food and Drug Administration (FDA) registration is needed and when it is not sorted out in compliance with more recent 2003 anti-terrorism laws. The goal of the marketing group was to overcome some of the marketing bottlenecks identified by the alliance members and the group has made good progress while executing actual orders.

Sustaining certification: Sustainability of forest certification is one of the important issues of the alliance initiative. For this purpose, the alliance has decided to explore the possibilities of establishing FSC national standards and identification of appropriate mechanisms for sustaining



the certification initiatives in Nepal. From the PPA alliance members' support, a process has been initiated to develop national certification standards in Nepal and analyze FSC requirements. For this purpose, two workshop/consultation meetings were organized with the lead role of Nepal Foresters Association (NFA). The workshop formed a five member's taskforce to identify the major stakeholders for the national standards development and consultation with them. ANSAB, SNV, and FECOFUN have supported the taskforce, which identified the major stakeholders for the promotion of sustainable forest management agenda. The taskforce met twice and discussed on the terms of references of the coming national working group. The taskforce also documented major achievements regarding the forest certification in Nepal.

With the support of the BDS MaPs project, which is implemented by a consortium including ANSAB, regular Coordination Meetings for Common Issues on NTFP Trade and Marketing were organized in May and July 2004. The meetings were participated by ANSAB as well as the other alliance members and key stakeholders. The meetings have identified forest certification as one of the major agenda to promote the marketing of the Nepali NTFPs. Through these meetings too, the alliance members have been promoting the agenda of forest and NTFPs certification among the key stakeholders in Nepal.

#### *1.h. Documentation of best practices and lessons learned*

As the alliance itself is a new initiative and the forest certification is quite new to Nepal, the project had planned to document the lessons learned from the alliance project. For this purpose, the project organized a workshop on "Synthesis of Experiences and Lessons Learned from the Certification and Sustainable Marketing of NTFPs: Private Public Partnerships Alliance Program" to consolidate and document the learning of the alliance members in alliance project management, forest certification and sustainable management of NTFPs, enterprise promotion and marketing of NTFPs. The workshop was organized for the actively involved alliance members on September 16, 2004 at Hotel Sun-Set View in Kathmandu, which was participated by SNV, HBTL, HJSS, GAC, DPR, AHI, and ANSAB. The workshop was facilitated by a team of SNV Nepal. The alliance members discussed on the various issues of the alliance project activities and shared their lessons from this new initiative. The recommendations and lessons generated from the workshop are as follows.

- Some conflicts of policies have been noted between Forest Acts and the Local Self Government Acts (LSGA) that hinder sustainable harvesting of NTFPs for the benefit of the communities. Policy review to address the national and local policy related conflicts needs to be undertaken.
- There is a good scope and benefits in adopting or practicing socially responsible businesses and marketing of NTFPs. Developing or formulating policies supportive of promoting companies to be socially responsible should be explored.
- Participating members of the PPA have reported positive impacts of the program interventions. Impact analysis of PPA program interventions and various activities will give deeper insights on the program impacts.
- Seek support of the government to formally endorse the policy level document produced as a result of the PPA program as there seems to be various independent initiatives by the private sector that are awaiting government endorsement for it to be binding.
- The government should be encouraged to support development of national certification standards as well as Good Manufacturing Practices (GMP) systems for NTFP and its related products. Certification is relevant for herbal products while GMP is needed for food

supplement in order to facilitate exports. We have to take note of the limitations of the uses/relevance of certification and GMP.

- NTFP inventory is a basic requirement in the preparation of a sound NTFP development plan, which forms part of the foundation for sustainable forest management and forest certification. An inventory system appropriate for NTFPs should be developed to facilitate assessment of available NTFP resources.

The report on the alliance lessons and the workshop is found in **Annex 5**.

#### *1.h. Village trust*

This activity was postponed, and the alliance plans to make a study on benefit sharing mechanisms to document it as a case study in year three.

### **Objective 2: Implement certification model for Nepal**

With its NTFP certification initiative, the project intends to establish recognition for NTFPs of Nepal in order to increase incomes and employments to the local communities. The NTFP certification combined with international marketing efforts of alliance members has been taken as a potential tool to create market based incentives for sustainable harvesting and use of NTFPs. The alliance developed a group certification model and system for Nepal, built the capacity of FECOFUN and select FUGs on forest and NTFP certification, facilitated to revise FUG constitutions and operational plans in the spirit of the FSC forest certification Principles and Criteria (P&C). A pilot forest certification field assessment has been completed. It is expected that the FECOFUN and the 11 FUGs affiliated to the certification program will receive FSC forest management certificate by January 2005. In year two, the alliance undertook the following activities.

#### *2.a. Information collection and documentation on NTFP certification models*

The project has compiled a significant amount of information related to forest and NTFPs certification, especially on FSC forest and NTFP certification, in its second year of operation. Through various mechanisms (training, document sharing, meetings, workshops, and planning exercises), the information has been shared among the alliance members and the key stakeholders involved in the pilot certification activities.

The entire sets of documents have been housed at ANSAB as well as at FECOFUN for the broader audiences. Similarly, appropriate documents related to the forest and NTFP certification were circulated to the district chapters of FECOFUN in Dolakha and Bajhang and other stakeholders. The documents collected include the information in the areas of forest management certification, NTFP certification, chain of custody certification, sustainable forest management, ISO certification, impacts of the forest certification, NTFPs certification case studies etc. **Annex 6** provides the list of the documents collected and shared.

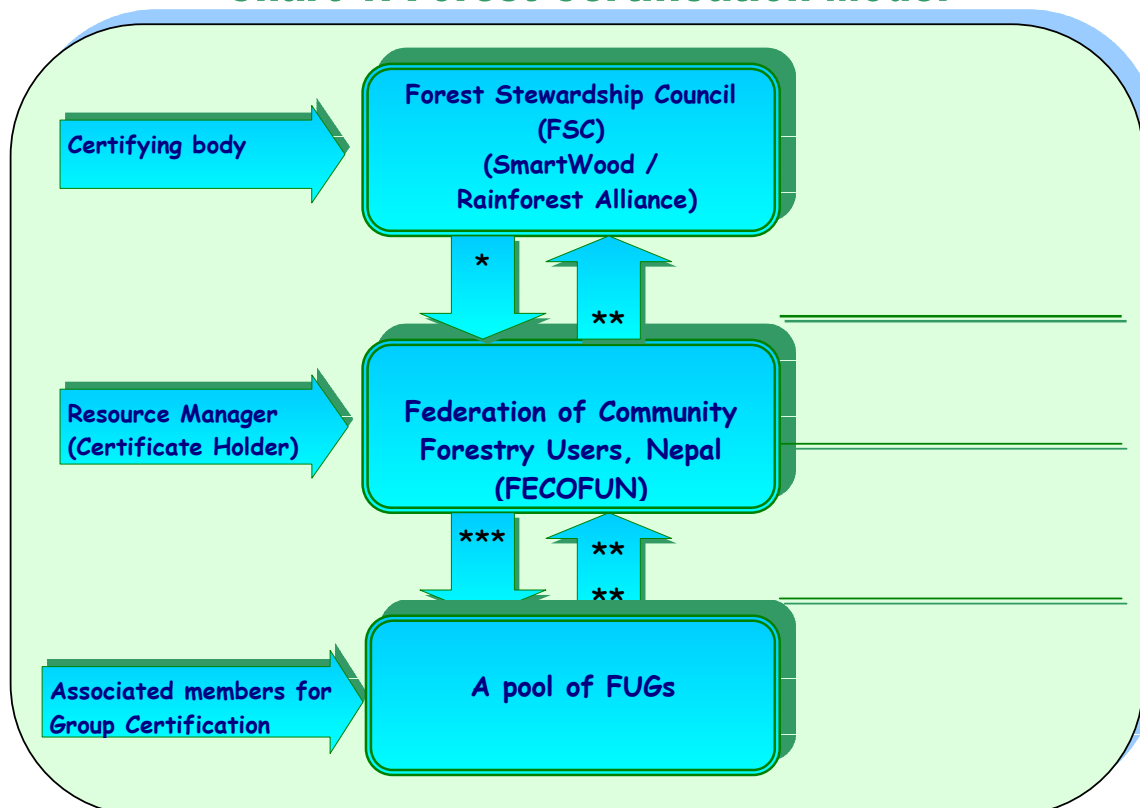
#### *2.b. Requirement analysis and development of system for group certification*

To analyze the requirements of the forest certification and group certification, several activities were done in this year. To identify the gaps on operational plan and constitution, a workshop was organized in hotel Chautari, Nagarkot on January 15-16, 2004. The participants of the workshop

included ANSAB, FECOFUN, FUG members, and DFO staff. The workshop identified major gaps on environmental impact assessment, social impact assessment, high conservation value forest and biodiversity aspects, equity on decision making and resource distribution, monitoring and data tracking system, FUG fund mobilization, enterprise development and planning, and institutional development of the FUG. Based on the discussion in the workshop, ANSAB field staff along with FECOFUN members did gap analysis at the FUG level and inputs were provided based on the gaps in revising the constitutions and OPs in addition to the capacity building support described earlier.

From the several rounds of discussions and inputs of the various workshops and training, a group certification model was selected. A system for the group certification was developed through various mini workshops, meetings, and consultations. According to the model, FECOFUN works as a resource manager on behalf of the FUGs in the certified pool. The FUGs capable and interested in forest certification have to apply to FECOFUN for the group forest certification. These FUGs have to comply with the forest management guidelines prepared by the FECOFUN. FECOFUN provides capacity building support and does monitoring of these FUGs to see whether these FUGs have been abiding by the policy and guidelines. Rainforest Alliance, which is a FSC accredited body, assesses and audits the forest management policy, systems, plans, and performance of the group (FECOFUN and the FUGs in the certified pool) in forest management. **Chart 1** provides the model of the certification. **Annex 7** provides the details on the certification model.

**Chart 1: Forest Certification Model**



FECOFUN focal committee members and ANSAB program staff sat down several times to develop the FECOFUN (Resource Manager) policy and guidelines for forest certification.

Rainforest Alliance provided training and capacity building support to develop the group certification system. The Resource Manager's policy and guidelines provide the details on the group certification system.

### *2.c. International training on certification*

The alliance planned international training for human resource development on forest certification to cater the need of the forest certification initiatives in Nepal. In this context, an international training course on forest certification was assessed and the alliance applied in Swedish International Development and Cooperation (SIDA) for funding. Mr. Ram Prasad Acharya, Community Forestry Officer and Mr. Bhola Bhattarai, Member Secretary, FECONUN were nominated by the alliance for the training. SIDA selected Mr. Ram Prasad Acharya for the training program. First part was conducted in Sweden from May 9-28, 2004, and second part in Tanzania is planned for (15-27 November, 2004). The objectives of the training were to improve the possibilities of introducing environmental management systems and forest certification in selected countries by giving key persons a thorough training of the principles, the criteria and the practicalities of certification. A total of 34 participants from four continent including 25 countries participated in the training. The facilitators were from environmental NGOs, industrial sectors, academia, certification agencies, certified body, and social groups and association representatives from Sweden and United Kingdom. Forest certification experiences from different countries were shared and pilot activities to be performed in participants' place of work within six months was finalized. The learning and experience of the training was shared among the key PPA alliance members on July 27-28, 2004 at Godavari village resort. **Annex 8** provides the details on the international training.

Similarly, Mr. Bhola Bhattarai was selected for a study cum exposure visit to Latvia and Estonia. The visit was organized from August 21-29, 2004 to participate in forest certification annual audit and assessment processes. The visit was organized in Latvia for the forest certification audit and Estonia for forest certification assessment. The objective of the exposure visit was to observe and assess the forest certification process and methods. The methodology used during the assessment includes interactions with NEPCON/Smartwood and Forest Owner Consulting Center (FOCC), interviews with forest owners, interview with forest officer, document review of management plan and internal reports, and observation of the field. One of the major observations from the visit was that the condition that is provided during the assessment is observed during the audit time and received first hand information regarding the forest certification assessment and audit. During the audit and assessment time, the major focus was on biodiversity assessment. The detail of the visit report is provided in **Annex 9**.

### *2.d. Institutional development and organizational support to FECOFUN*

To make FECOFUN's role more effective towards this new initiative, institutional development and organizational support was provided. Rainforest Alliance made an assessment to identify the areas where FECOFUN needed to develop their systems and strengthen their capacity to handle the certification activities. The institutional development and organization support through training, consultation and backstopping, particularly in developing group certification policy and guidelines; establishing monitoring mechanism and processes were provided to FECOFUN from November 2003 through September 2004. With this support, FECOFUN provided social mobilization, capacity building, and monitoring support to the selected forest user groups in the districts.

On November 17, 2003, a group certification training was given to FECOFUN management staff by Rainforest Alliance and ANSAB. The objective was to begin preparing FECOFUN as resource manager for the FUGs for the pilot certification in 2004. Information was provided to FECOFUN regarding their responsibilities as the group certificate holder, including:

- Required forest management systems, a planning framework and policies that conform to the FSC Principles and Criteria (P&C);
- Establishing an internal structure that would provide administrative oversight and monitoring of the certified members for ensuring that the FSC requirements are met by the FUGs;
- Being the primary contact with the Rainforest Alliance's SmartWood Program for the purpose of communication, coordination of certification audits and the maintenance of group records.

Based on the suggestions provided during the training, FECOFUN designed and developed a group certification policy and guidelines with close coordination of ANSAB. The policy and guidelines were presented during the scoping visit of the RA for their comments and suggestions. The FECOFUN group certification policy and guidelines are found in **Annex 10**.

Scoping visit:

Rainforest Alliance and ANSAB organized a scoping meeting with FECOFUN on June 27, 2004. During the meeting, FECOFUN presented their draft group membership guidelines, which included responsibility of FUG members and FECOFUN, criteria for entry to and exit from the certified pool, management guidelines, monitoring guidelines, and management planning guidelines. They received input from RA and ANSAB and refined the document.

Local resource person development: To build the capacity of FECOFUN to support FUGs, local resource persons (LRP) were developed in the both pilot districts. A total of 41 local persons (19 in Dolakha and 22 in Bajhang) were trained, and 28 LRPs (12 in Dolakha and 16 in Bajhang) were mobilized for the FUG operational plan improvement and FUG capacity building activities. The detail of the training is given in objectives 3.a.

*2.e FUG capacity building and improvement of operational plans*

The activities related to FUG capacity building and OP improvement were organized in collaboration with FECOFUN. Social mobilization activities were supported by FECOFUN district members and social mobilizers, and technical aspects of forest management and operational plan improvement activities were facilitated by ANSAB field staff. For the certification purpose, operational plans and constitutions were analyzed based on the FSC P&C. 12 FUGs from Dolakha and Bajhang were reviewed and gaps for forest certification were identified. OPs were revised considering the gaps through various field exercises in the both districts.

To prepare the FUG members capable to manage the forest resources in sustainable way, local resource persons (social mobilizers) were trained in two districts to facilitate the forest certification activities. Two two- week long trainings in Dolakha and Bajhang were organized (July 2-13, 2004 in Dolakha and July 19-30, 2004 in Bajhang) to capacitate the local resource persons on sustainable forest management and forest certification. A total of 41 participants were trained on

criteria and indicators of sustainable forest management, legal and regulatory environment of the forest management, and FUG formation process. The trained local resource persons were mobilized for two months for the social mobilization in Dolakha and Bajhang. A total of 2,739 HHs were mobilized to prepare constitutions for the 11 FUGs, and 10535.5 hectares of forest areas were inventoried. 11 FUGs were facilitated to prepare operational plans. Among them, six community forest user groups were renewed with their new operational plans till September 30, 2004. **Table 5** below provides the details on the key activities undertaken in the FUGs for their capacity building and OP improvement.

**Table 5: FUG capacity building for constitution and OP preparation**

FUG NAME AND ADDRESS	LRP DEVELOPED AND MOBILIZED	CONSTITUTION PREPARED	INVENT ORY DONE	OP PREPAR ED	OP APPROV ED	NO. OF HHS	AREA IN HA
Bhitteri FU, Dolakha	Yes	Yes	Yes	Yes	Yes	237	367.31
Charnawati FUG, Vimeshwar 13, Dolakha	Yes	Yes	Yes	Yes	Yes	315	385
Thulonagi FUG, Jiri 8 & 9, Dolakha	Yes	Yes	Yes	Yes	Yes	257	239.53
Kalobhir FUG, Jiri 7, Dolakha	Yes	Yes	Yes	Yes	Yes	215	545.25
Suspa FUG, Suspa 6, 8 & 9, Dolakha	Yes	Yes	Yes	Yes	Yes	303	635.36
Shree Binayak Pimidanda, Kailash 1-7, Bajhang	Yes	Yes	Yes	Yes	process	240	1425
Lahare FUG, Gadaraya 1, 8 & 9, Bajhang	Yes	Yes	Yes	Yes	process	305	458
Binayak FUG, Gadaraya 2, 8 & 9, Bajhang	Yes	Yes	Yes	Yes	process	87	1606
Hemantawada FUG, Hemantawada 1-9, Bajhang	Yes	Yes	Yes	Yes	process	501	1665
Ranada FUG, Kotdewol 1-3, Bajhang	Yes	Yes	Yes	Yes	process	214	1981
Latoon FUG, Rilu 4 & 5, Bajhang	Yes	Yes	Yes	Yes	Yes	65	728
<b>Total</b>						<b>2739</b>	<b>10035.45</b>

#### *2.f. Install a pilot certification system in Nepal*

After the completion of the FECOFUN group certification policy and guidelines, the FUGs selected for the certification program were communicated about the policy and guidelines. Through various training and workshops as described under 2.g., these FUGs were trained on forest certification. FECOFUN made an assessment of the selected FUGs as per their group certification policy and guidelines, and out of 12 FUGs selected initially for the certification program, 11 FUGs (5 from Dolakha and 6 from Bajhang) were accepted for entry in the certification pool. **Table 4** above provides the list of the FUGs and the support extended to them.

The alliance along with RA developed a certification field assessment plan, and the alliance provided support to RA for the selection of forest certification consultants for field assessment. Three Nepali consultants who attended the SmartWood Forest Management Assessor Training Program in November of 2003 were interviewed as potential assessors for the pilot certification assessment. The consultants' expertise was balanced between forestry, economics, and sociology. Under the leadership of Mr. Walter Smith from Rainforest Alliance, a team of 4 assessors is doing the field assessment. The field assessment started from September 24, 2004 and was planned to complete by October 15, 2004. The certification process which includes field assessment, assessment report writing, peer group review,

final report and certification decision, certification contract signing and certificate issuance is ongoing and is expected to complete by the end of January 2005.

### 2.g. Certification Training/workshops

In year two, various types of training, workshops, and meetings were organized to build the capacity of the stakeholders and a total of 11,187 participants (national level- 225, and FUG level- 10,912) were trained on forest management and certification. **Table 6** provides the details on the training and workshops. In this period, the following training and workshops were organized to clarify issues and processes of forest certification and built the capacity of the NTFP stakeholders in forest and NTFPs certification and sustainable management.

**Table 6: Training and workshops organized in year two**

Type/Level of Training workshop	Participants			Remarks
	National	District	FUGs	
International training and exposure visit on forest certification	2			May 9-28, Sweden; August 20-29 Estonia and Latvia
SmartWood forest assessor training/workshop	36			18-21 November 2003, Park Village Hotel Kathmandu
Group certification training to FECOFUN*	8			November 17 2003, FECOFUN Kathmandu
Leadership and Forest certification training workshop		34		April 16-25, Nepalgunj
Sustainable forest management and forest certification training/workshop	4	18		February 4-6, 2004 Budol Kavre
District level certification training/workshop/meetings: Bajhang		109	12	Involved in selection and prioritization workshop; site level certification training and workshop; certification training to facilitator and LRP; FUG formation and facilitation training; NTFPs policy discussion workshop; FUG coordination meeting; and planning meeting
District level certification training/workshop/meetings: Dolakha		64	1003	Involved in selection and prioritization workshop; certification training to facilitator and LRP; cooperative strengthen workshop; sharing workshop; sharing meeting with FECOFUN; Cluster level training on NTFPs cultivation, harvesting, processing and marketing; Workshop on Certification in FUG level and enterprise promotion and business planning
Site level forest certification training/workshop			24	March 12-13, 2004 in Charikot
Site level forest certification training/workshop			23	March 17-19, 2004, Bajhang
Settlement level training/workshop in selected FUGs Dolakha			1711	In five FUGs of the Dolakha district (Bhiteri, Charnawati, Kalobhir, Thulonagi, and Suspa FUGs)
Settlement level training/workshop in potential FUGs Dolakha			1536	Eleven FUGs in Dolakha
Settlement level training and workshop in selected FUGs Bajhang			3875	In six FUGs of Bajhang (Binayak pimi, Binayak, Lahare, Latoon, Ranada and

	Participants			
				Hemantabada).
Households level orientation/coaching, Dolakha			1316	In six FUGs of the Dolakha district (Bhiteri, Charnawati, Kalobhir, Thulonagi, Suspa and Jhareni FUGs)
Households level orientation/coaching, Bajhang			1412	
<b>Total</b>	<b>50</b>	<b>225</b>	<b>10912</b>	

\* Explained under other activity heading

SmartWood forest assessor training/workshop: SmartWood Forest Assessor Training workshop was organized on November 18-21, 2004 at Park Village Hotel, Kathmandu. The assessor training was designed as in-depth and hands-on instruction about how to conduct an FSC forest assessment. The objective was to train FECOFUN and key stakeholders as well as a pool of assessors so that three local individuals can be selected to carry out the 2004 pilot certification assessment and subsequent audits. There were 36 participants from a broad spectrum of interest in attendance. The participants were divided into three groups. Each group had participants with economic, social, or environmental expertise. They were given classroom instruction then the participants performed a mock assessment and wrote an assessment report. The training included: i) Team working skills and team decision making processes, ii) A history, structure and accomplishments of the Rainforest Alliance, SmartWood and the FSC, iii) A discussion of the benefits of FSC, iv) An overview of the FM certification standards including both the FSC P&C and the SmartWood NTFP Nepal Interim Guidelines An overview of the CoC certification standards and FSC policies, v) The field assessment process, vi) Field assessment and data collection techniques, vii) Data analysis and synthesis, viii) Mock field assessment, ix) Stakeholder interviewing techniques, and x) Report writing.

The SmartWood reported that the training sessions were highly successful. The groups at the assessor training wrote excellent reports and appeared to understand the process. There were a number of individuals that would qualify to be SmartWood assessors. Additionally, it appeared that knowledge of FSC certification with the participants has broadened and that there were several potential assessors trained that could serve on the pilot certification assessment team. FECOFUN appeared to fully understand their responsibilities with regards to being a group certificate holder.

Leadership and Forest Certification: A regional level training workshop on Leadership and Forest Certification was conducted in Nepalgunj from April 16-25, 2004. FECOFUN center with technical support from ANSAB organized the training workshop for the leaders from FECOFUN district offices and FUG facilitators. Resource persons from FECOFUN, CARE/Nepal, and ANSAB facilitated the training program. A total of 34 participants trained in the training workshop. The training workshop report on Leadership and Forest Certification is included in **Annex 11**.

Sustainable forest management and forest certification training/workshop: NTFPs and forest certification training to district based stakeholders was organized on February 4-6, 2004 in Budol Kavre. A total of 22 participants including FECOFUN representatives, DFO staff, ANSAB field facilitators, and FUG members participated the training. The objectives of the training were to: a) create awareness about sustainable forest management and forest certification to the district level stakeholders; b) discuss on the FSC P&C; and c) develop and finalize the action plan for the forest certification activities in the district. The resource persons from ANSAB, DFO, FECOFUN, and SNV facilitated the training. The training was able to raise awareness regarding the process,



methods, and agencies of the forest certification and identified the actions to be taken in the district. The action plan includes: a) group identification; b) gap analysis (between FSC P&C and FUG systems, operational plans and their capacity in forest management); and c) technical assistance to FUGs capacity building and improvement of operational plans and their systems.

District level certification training/workshop: Various types of training, workshops, and meetings were organized in the pilot districts and a total 1,235 participants (district level- 173 and FUG level-1,062) were involved in these events at the district level. These training workshops included selection and prioritization workshops, site level certification trainings and workshops, certification trainings to facilitators and LRPs, FUG formation and facilitation trainings, NTFPs policy discussion workshops, FUG coordination meetings, and planning meetings. These trainings and workshops were organized to build the capacity of the stakeholders in sustainable forest management and forest certification.

Among these training/workshops, a NTFPs and forest certification training to district level stakeholders was organized on January 17-19, 2004 in Bajhang. The objectives of the training were to: a) create awareness about sustainable forest management and forest certification to the district level stakeholders; b) discuss on the FSC P&C; and c) develop and finalize the action plan for the forest certification activities in the district. A total of 32 participants representing DFO, local NGOs, district FECOFUN, district HJSS, district Federation of Nepalese Chamber of Commerce and Industries (FNCCI), DDC, (12 FUG level and 20 district level) District Cottage and Small Industries Board were present among others. The training was able to raise awareness regarding the process, methods, and agencies of the forest certification and identified the actions to be taken in the district.

Site level forest certification training/workshop: Two site level training/workshops were organized to train 47 participants in Dolakha and Bajhang. In Dolakha, a two-day training/workshop was organized on March 12-13, 2004 to FUG leaders, consultant rangers and FECOFUN representatives at Charikot. A total of 24 participants took part in the program. The training was facilitated by the ANSAB field staff, DFO staff and FECOFUN representative, who were trained during the 'Get Certified Training', Assessor's Training, and sustainable forest management, and forest certification training/workshop. The course covered concept of sustainable forest management, FSC principles, criteria and indicators, and forest certification process. Similarly, in Bajhang a site (catchment) level training on sustainable forest management and forest certification for selected FUGs was organized on March 17-19, 2004. A total of 23 participants (16 male and 7 female) were involved in the training.

Settlement level forest certification training/workshop: With the technical assistance from the field staff of ANSAB, district chapters of FECOFUN in Dolakha and Bajhang organized trainings to FUG level forest certification orientation training/workshop to 22 FUGs in Dolakha and Bajhang. A total of 268 settlement (tole) level trainings on sustainable forest management and orientation on forest certification were organized for the FUGs (Bhitteri, Suspa, Charnawati, Jhareni, Kalobhir, Thulonagi, Napke, Bolde Seti Devi, Bhatekhola, Pandit, Kyangsesetep, Sukram, Jirishwori, Shankhadevi, Napkeyanmara and Buddha in Dolakha; and Binayak Pimi, Binayak, Ranada, Hemantabada, Lahare and Latoon in Bajhang) in the pilot districts from February 15, 2004 to September 20, 2004. A total of 7,122 FUG level participants including 2,489 female participants involved during the training, workshop, and meeting at the settlement level. **Table 7** provides the summary of the settlement level training workshops in the pilot districts.

**Table 7: Number of participants at the settlement level training workshops in the pilot districts**

FUG Name and Address	No. of HHS	No of training/ workshop in FUGs	No. of participants		
			Male	Female	Total
Bhitteri FUG Dolakha	237	16	266	149	415
Charnawati FUG, Dolakha	315	16	196	133	329
Thulonagi FUG, Dolakha	257	7	98	84	182
Kalobhir FUG, Dolakha	215	14	249	153	402
Suspa FUG, Dolakha	302	16	231	152	383
Botle setidevi FUG, Dolakha	170	4	59	44	103
Jhareni FUG, Dolakha	157	13	140	99	239
Kyangsesetep FUG, Dolakha	236	7	66	55	121
Budha FUG, Dolakha	183	8	60	40	100
Batekhola kamalamai FUG, Dolakha	313	6	71	39	110
Pandit FUG	247	6	75	35	110
Dhade singh devi FUG, Dolakha	315	11	112	74	186
Sukram FUG, Dolakha	398	8	119	57	176
Jiriswori FUG	212	9	69	47	116
Napkeyanmara FUG, Dolakha	140	6	96	57	153
Shankhadevi FUG, Dolakha	211	5	83	39	122
<b>Sub-total</b>	<b>3908</b>	<b>152</b>	<b>1990</b>	<b>1257</b>	<b>3247</b>
Shree Binayak Pimidanda, Kailash 1-7, Bajhang	240	26	845	350	1195
Lahare FUG, Gadaraya 9, Bajhang	305	7	260	65	325
Binayak FUG, Gadaraya 9, Bajhang	87	9	195	85	280
Hemantawada FUG, Hemantawada 1-9, Bajhang	515	46	659	339	998
Ranada FUG, Kotdewol 1-3, Bajhang	214	14	339	183	522
Latoon FUG, Rilu 4, Bajhang	65	14	345	210	555
<b>Sub-total</b>	<b>1426</b>	<b>116</b>	<b>2643</b>	<b>1232</b>	<b>3875</b>
<b>Total</b>	<b>5334</b>	<b>268</b>	<b>4633</b>	<b>2489</b>	<b>7122</b>

**Annex 12** provides the further details on the training workshop events in the districts.

### *2.h. Publication on NTFP certification initiatives in Nepal*

The NTFP certification initiatives in Nepal were published in various media including radio, monthly magazine, and web-based newsletter and magazine. Representing the alliance, Alliance Coordinator (Mr. Bhishma Subedi), Member Secretary of the HNTFPCC and DG of DPR (Dr. Uday R. Sharma), Vice-Chairperson of HJSS (Mr. Man P. Khatri), and Chairperson of Malika Handmade Paper Pvt. Ltd. (Mr. Surat B. Singh) participated in November in a radio interaction program organized by Radio Sagarmatha to share and discuss on the NTFP policy initiatives and the draft NTFP national policy prepared by Herbs and NTFP Coordination Committee.

FECOFUN published a news article entitled “Forest Certification Is Possible If Forests Managed in Sustainable Way” on Samudayik Ban Awaj (a monthly magazine circulated to about 5, 000 FUGs) in May 2004 issue. Mr. Bhola Bhattarai wrote the article; the major content of the article include what is forest certification, why is needed forest certification, benefits of forest

certification and efforts of sustainable forest management initiatives in Nepal. The article made a wider impact to the FECOFUN circles. Several phone inquiries were encountered about the forest certification in FECOFUN. The news article is included as **Annex 13**.

Similarly, Rainforest Alliance published an article on the PPA alliance project and its progress (Nepal forest user groups and PPA project) in Nepal. The article was published in CANOPY (web-based newsletter, circulated to 30,000 recipients) in spring issue. The article covered harvesting of the herbs in Nepal and community initiatives for the sustainable harvesting of the NTFPs and wild crafted products. The articles can be found at <http://www.rainforest-alliance.org/news/canopy/can-spring-04-2.html>). The article is provided in **Annex 14**.

E/The Environmental Magazine, which is published by Earth Action Network, Inc., a non-profit 501 (c) (3) organization published a small part of the interview of the Alliance Coordinator Bhishma P. Subedi on volume XV, no 2, March/April 2004. The magazine covers mainly the wild crafted plants and herbal products. During the interview, Mr. Subedi highlighted the benefits of the certification. The magazine quoted him as saying many small producers cannot afford the costs to obtain certifications, even though their products deserve the distinction. The article is provided in **Annex 15**.

Samudayik Ban Radio Program, operated by FECOFUN, broadcast two discussions on forest certification issues in March 2004. Mr. Bhishma P. Subedi, Mr. Ram B. Thapa, Mr. Bhola Bhattarai, Mr. Dhana Lama, and Mr. Arun Sharma Poudel participated on the program. Major agenda of the discussion were concept of the forest certification and reasons to appreciate the certification agenda. Mr. Subedi explained the role of forest and NTFP certification on NTFP market promotion. Mr. Bhattarai, Mr. Lama, and other participants also highlighted the importance of the forest certification and initiatives taken by the PPA program in Nepal.

### *2.i. Exposure Visits*

Sharing the learning and best practices on forest management, an exposure visit was organized on September 23-26, 2004 to FUG members, FECOFUN executives, and DFO staff in Dolakha. A total of 18 individuals participated in the visit. The participants visited and interacted with Bhitari, Charnawati, Suspa, Thulonagi, and Kalo Bhir FUG members and observed the major activities of the FUGs. In addition, the team also made interactions with village level traders and collectors for the enterprise planning and development. The visit was found effective and the participants got opportunity to share and learn best practices from each other.

## **Objective 3: Improve and maintain quality and consistency of Nepali NTFPs**

Meeting buyers' requirements in terms of consistent product quality, supply size, timing was identified as one of the main constraints to the promotion of Nepali NTFPs, especially in international market. The alliance companies contacted international buyers and received feedbacks on their products. Ms. Ann Koontz visited the alliance companies in Kathmandu in January and provided feedback on quality improvement and product development issues to meet the standards of the international buyers. To meet the buyers requirements and resolve the problems of the inconsistent product quality, activities like training on NTFP management, exploration of GMP requirements, promotion of quality testing facility and certification program were undertaken in this year.

### *3.a. Training to farmers, FUGs/CBFs on NTFP cultivation, harvesting, processing and marketing*

Local resource person development: To facilitate FUG level NTFP management, cultivation, harvesting, and marketing activities, the local resource persons (LRP) were trained in Dolakha and Bajhang. In Dolakha, 20 FUG level LRP were trained for three days (October 29-31, 2004) on NTFPs management activities. The major objective of the training was to capacitate the local persons to support FUG level NTFP management trainings. The major coverage of the training was introduction and classification of NTFPs, prioritization of the major NTFPs, selection of the major products, local value addition, and marketing of the major NTFPs. The trained persons prepared an action plan to support FUG level trainings. Similarly, in Bajhang a training was organized along with District Forest Office for seven days (March 27- April 2, 2004). A total of 31 participants including 7 female from the selected FUGs participated in the LRP development training. The major objective of the training was to capacitate the local resource persons on NTFP management activities so that they could support FUG level NTFP management, harvesting, processing, and marketing activities. After the trainings, the local resource persons were sent to the communities to support the FUGs on forest management operational plan preparation and organize FUG and settlement levels trainings, workshops, and meetings in order to build the capacity of communities in management, harvesting, and marketing of NTFPs.

NTFPs management training to FUGs: Four settlement level NTFPs management and marketing trainings were organized in Kalobhir FUG, Dolakha. These trainings were organized on April 29-May 2, 2004. The local resource person and a FUG executive facilitated the training. 137 FUG members including 56 females were trained on cultivation, harvesting, processing, and marketing of the selected products like Lokta, Argeli, Chiraito, Machhino, and Allo. With the training, the FUG members realized the importance of the NTFP management and planned improvements in their harvesting practices of the commercial NTFPs.

Similarly, in Bajhang five FUG level forest management trainings were held in Kailash, Ranada, Latoon, Gorkhali, and Hemantabada on September 3-4, 2004. A total of 119 participants including 32 females participated in the trainings. The trainings were focused on management and harvesting of commercial NTFPs and subsistence forest products. The participants visited the community forests to make an observation of the forest condition and to develop management prescriptions based on the forest observation and inventory data. After the trainings, the participants realized the importance of the forest and NTFP inventories and management systems.

### *3.b. Technical support to CBFs on GMP*

As some of the buyers demanded Nepali CBFs to confirm with the GMP criteria, the alliance companies, especially GAC, had showed interests on improving its practices inline with the GMP criteria. As good harvesting practices and NTFP certification are linked with the GMP process, the alliance initiated exploring the requirements of the GMP as well as organic certification. A possibility of sourcing funds from other donors and projects has also been explored. SNV has shown interest on the GMP issues. With the support of Oxfam, AHI and GAC received preliminary training on GMP. As the GMP and organic certification can be very supportive for marketing efforts of the Nepali NTFPs, the alliance plans to support in year 3. For 2004/05, the alliance has planned a training for CBFs on GMP and/or organic certification and will collaborate with other donors and project to facilitate the CBFs on this issue.

### *3.c. Promotion of certification program with NTFP industry*

Alliance members have promoted certification agenda on various national and international forums. The alliance members participated and shared the PPA initiatives in various national level workshops organized by the project as well as the other projects and organizations. The certification agenda was promoted in NNN meetings by the most of the alliance members and in the Herbs and NTFPs Coordination Committee by Alliance Coordinator-Bhishma Subedi. Mr. Parbat Gurung-HBTL and Prem Tiwari-GAC, and other alliance members participated in a Radio Sagarmatha's program to discuss on the relevance and importance of NTFP certification. Similarly, Mr. Bhola Bhattarai highlighted the certification initiatives in Nepal and its importance through a radio program called Samudaik Ban Awaj. As discussed above, various articles were published at the international level which also promoted the certification program with the NTFP industry. Mr. Bhishma P. Subedi, Coordinator of PPA project, presented a paper on NTFPs certification initiatives and its progress in Nepal on 23rd Sharing Meeting of NNN on August 27, 2004. The participants of the sharing meeting were from DPR, HPPCL, MFSC, NARMSAP, NEFEJ, GAC, HJSS, SNV/Nepal, BDS-MaPS, LFP, IUCN, HBTL, FECOFUN, CECI, CMAPSL, BIRD/ EHP, CFD, DoF and ANSAB. The details of the presentation are provided in **Annex 16**.

### *3.c. Product certification*

Chain of Custody Certification training: A national level training on chain of custody certification was organized on June 25, 2004 at Hotel Sunset View, Kathmandu. Mr. Walter Smith from Rainforest Alliance was the principal resource person. The training was participated by 22 participants from the national level organizations including Himalayan BioTrade, Gorkha Ayurved Company, Alternative Herbal Industries, Chaudhari Biosys, Herb Production and Processing Company Ltd, Bounty Himalaya Pvt. Ltd, ANSAB, NFA, MFSC, SNV, and FECOFUN. The main objective of the training was to build the capacity of the stakeholders on the process and methods of chain of custody certification. The training covered the following topics: i) An overview of FSC certification, ii) An overview of Chain of Custody linkages, iii) The benefits of certification, iv) The Chain of Custody Company's responsibilities, v) Certified material handling, vi) Certified material processing, vii) Certified material storage and shipping, viii) Record keeping, ix) Product labeling, x) Percentage based claims, xi) Small Forest Enterprises, xii) Assessment and audit process, and xiii) Costs of the CoC. During the training, the company representatives were asked to fill out a self-assessment tool to see if they could qualify for an FSC CoC certificate.

### *3.e. Coordination for quality testing facilities in Nepal*

One of the major bottlenecks in assuring quality of NTFPs and marketing of NTFPs in international markets is due to the lack of adequate and appropriate facilities for quality testing in Nepal. The alliance raised this issue in various forums like NNN sharing meetings, meeting of the Herbs and NTFPs Coordination Committees, workshops and meetings organized by the other projects and organizations. As the quality testing facility with full range of services requires significant investment, the alliance has decided to collaborate with other key NTFP stakeholders and donors for analyzing the requirements for Nepal and exploring options of availing adequate and appropriate quality testing and assurance facilities in Nepal. This issue has been discussed with the BDS MaPs project management committee as well as in the coordination meetings for the common issues on NTFP trade and marketing in May and July 2004. With the lead role of BDS MaPs project, an action plan has been developed to assess the existing laboratories and their capabilities, prepare a business plan for the laboratory business, and strengthen the existing private or government labs for better service delivery.

#### **Objective 4: Gain better market position for Nepali NTFP in international markets**

To promote Nepali NTFPs in international markets and gain better markets for Nepali NTFPs, the alliance completed several product design and development works and did NTFP market promotion activities this year.

##### *4.a. Product selection and product design option exploration*

Last year, 3 products had been selected for product design and development. This year additional 4 products were selected to undertake product development work under the project grant. The product selected this year include Chiuri cream development from Chiuri ghee, herbo malt from various herbs, dentache oil from essential oils, paper development from Argeli bark. The details of the products designed and development is provided in 4.b.

##### *4.b. Product design and product development*

Under the PPA project, product design and development works on 6 products were undertaken with the involvement of the alliance companies and CBFs. Last year, product development work was initiated for three products i) Pagar soap, ii) handmade paper from waste materials, and iii) pain relief oil from essential oils. The development of Pagar soap was completed in Kathmandu lab. This year, a community based enterprise in Mugu was supported to develop soap from the local raw materials including Pagar in Mugu. The product development work on other two products that was instantiated last year was completed this year. In addition, product development support was provided to develop 4 new products (Chiuri cream, herbo malt, dentache oil, and Argeli paper) this year.

Handmade paper from agricultural residues: Malika handmade paper completed new product development work on handmade paper from agriculture residues. The enterprise also tested Japanese technology to produce the hand made paper at the local level. The enterprise is planning to utilize the Japanese paper making technology also for its Lokta handmade paper. **Annex 17** provides the product development report on the handmade paper from agricultural residues.

Essential oils product: Himalayan BioTrade (HBTL) completed the product development activities from essential oils and developed a pain relief oil product this year. The new product, which is called 'NICO', is formulated from Mint oil, Eucalyptus oil, Camphor extract, Wintergreen oil, Juniper oil, Citronella oil, Abies oil, and a base liquid. The product has been found effective for the treatment of cold, cough, rheumatism, sprain, arthritis, headache, neuralgia and fatigue. **Annex 18** provides the report on the product development work on pain relief oil.

Chiuri cream products: Alternative Herbal Industries (AHI) completed cold cream design and development from Chiuree ghee. AHI has done test production of Chiuri cold cream and is undertaking product test at the user level. With the feedback from production side and from the selected users, AHI further developed its product and production process and is planning for its commercial production. **Annex 19** provides the details on the Chiuri cream development work.

Dentache oils and Herbo Malt: Gorkha Ayurved Company (GAC) is undertaking product development works on dentache oil and herbo malt from various NTFPs. Herbo malt is targeted for the Ayurvedic remedies of the malnutrition for men, women and children. Dentache oil will be used to relieve the dental ailments. GAC is undertaking various activities like review of Ayurvedic literatures, review of similar products in the markets, carrying out lab analysis, trial production, market research and production.

Herbo Malt : Herbo malt is considered to be an ideal rejuvenating tonic product prepared from different herbs like Asparagus, Amala, Mucuna and various *Bhasha*. Herbo malt is highly useful in malnutrition, desepsis, constipation and physical debility in both men and women. It is also important for the pregnant and lactating mother.

Dentache oil: The oil extracted from *Zanthoxylum armatum* and Syzizium has analgesic and anti-inflammatory properties. The oil is supposed to be useful to relieve the dental ailments.

The product development activities for these products are ongoing. **Annex 20** provides the preliminary report on the product development work of GAC. In addition, GAC is working on development of Ayurvedic soap and other Ayurvedic medicines.

Product development from Argeli: HBTL is working out plans for Argeli paper product development. The product design and development activities will be undertaken in 2004/05.

#### *4.c. Training on product development and marketing to CBFs*

To support CBFs in meeting the buyer requirements and improving their product development and marketing knowledge, skills and techniques, two trainings were planned for national level alliance companies last year. These trainings were postponed last year and are planned for March-August 2005. However, the alliance provided product development and marketing trainings to the community based enterprises in the districts. These community level trainings include Allo processing and thread making to potential entrepreneurs in Bajhang, training on handmade paper from agricultural residues in Bajhang, and training on soap making from Pagar and other local raw materials in Mugu. The support for making Pagar soap was provided from ANSAB's GCP project resources.

Handmade paper from waste materials: To facilitate the product development work on handmade paper from the agricultural residues, a training was organized from February 13 to April 12, 2004 in Kailash Bajhang. A total of 13 participants including 5 female participated in the training. The training was organized along with CSIDB, Bajhang. The participants were trained on product development from agriculture residues as well as on the Japanese technology of paper production.

Allo product development: A training course on Allo product development was organized from February to April 2004 to the potential entrepreneurs in the district. A total of 21 (8 from PPA resource +13 from CARE resource) participants were trained in Allo processing (especially thread making and weaving) with close coordination with District Cottage and Small Scale Industry Office, Bajhang. During the training, the participants also did test production of Allo thread. The participants have registered 16 micro enterprises and are planning to produce Allo thread from this season that begins in November.

#### *4.d. Product development and marketing study visit for PPA alliance members*

Product development and marketing study visit to India was planned for CBFs and the alliance members. The study visit could not take place this year and the alliance has now planned the study visit sometime in December to June 2005.

#### *4.e. International market assessment and linkage development*

A research was done about the use and potential sales of Nepali handmade paper in the US. Research included only an Internet search; however, it revealed that there is a significant handmade paper market in the US. Not all of the handmade paper was from Nepal. Countries like Thailand, Laos and other Southeast Asian countries also produce handmade paper. Therefore, there is a significant competition for the Nepali paper industry in the US market. Certification could, therefore, possibly be a positive marketing tool. Jam Paper, a paper retailer, has three stores located in New York and carried handmade paper, was surveyed for interest in Nepali paper and certification. There appeared to have little interest in certified or Nepali paper at this time.

Walter Smith, RA project manager, traveled to Minnesota to talk with Aveda about how RA and Aveda can work together in promoting the project. RA's Executive Director, Tensie Whelan, David Hircock and Vicki Melen of Aveda and Walter Smith participated in a conversation about future public announcements and promotions. Walter also traveled to NY to talk with RA about promoting Nepali paper. RA is beginning to promote the Nepali paper; however, for the RA to make a full effort, the FUGs will have to attain certification since it is RA's objective to promote their certified clients. However, several companies that RA has spoken with have shown interest in the Nepali paper and are now seeking price quotes.

ANSAB and HBTL worked on the lead of Aveda and Ms. Koontz for the promotion of essential oils and Nepali handmade papers. With the alliance efforts, HBTL began to establish business relationship with at least two major buyers in the US and sold essential oils and Lokta handmade papers worth over Rs. 2.5 million in this period. The alliance companies (HBTL, GAC, and AHI) sent samples and business offers to the potential buyers in the US and Europe to promote the markets of the Nepali NTFPs.

#### *4.f. Nepali NTFP promotion*

Nepali NTFP promotion was done through profiling selected NTFPs and sending it along business offers and samples to the potential buyers through the alliance companies. The profiling of the Nepali products with product traceability information was found an effective way to create a unique image of the Nepali NTFPs, which also facilitated to market the essential oils and handmade paper to the international markets. Participating in the Industrial Leadership Symposium, the Nepal's initiatives towards sustainable management of NTFPs was highlighted.

Communication with Aveda has been undertaken to promote Nepali NTFPs and Aveda is supporting to promote Nepali NTFPs especially Lokta handmade paper and essential oils in the US. Dr. Hircock from Aveda launched and continued to work on standards of excellence work, which makes sure all aspects of NTFP business are being addressed. Through this initiative, Aveda promoted the alliance project and Nepali NTFPs in the western markets. On June 29th, ANSAB and RA met with the Chaudhary Biosys Nepal Ltd. to talk about the alliance NTFP certification and marketing initiatives. Cynthia Mathys, Project Auditor, Praveen, CEO, and Lalit Kumar Vaidya, Technical Advisor for CBNL were in attendance. Since then, several meetings were held with CBNL including Dr. Akash Chopra.

The trade show that was planned for this period was postponed due to the time constraints and the interest of the alliance enterprises to participate in the Natural Products Expo West in March 2005. However, Mr. Ram H. Subedi from ANSAB participated in the Natural Product Expo Europe in the Netherlands in June 2004. The fund required for the participation in the Expo was leveraged from the ANSAB's MIS project. A booth for Nepali CBFs was set up and selected Nepali NTFPs



and products of Nepali companies including GAC, AHI, and HBTL were displayed in the Expo. A presentation show on Yarsagumba documentary was also organized in the Expo.

For year 2004/05, the alliance has planned to send Mr. Parbat Gurung from HBTL and Mr. Prem Tiwari from GAC to Natural Product Expo West in March 2005. The Nepali participants will promote Nepali NTFPs in the US market by participating in the Expo and visiting the US buyers' offices in March 2005. The alliance has booked a 10' x 10' inline booth in Hall C of the Expo and Nepali CBFs will also be supported to put a stall in the Expo, which can give much exposure to the CBFs and Nepali NTFPs in international arena.

### **Objective 5: Educate NTFP buyers on how to support Nepal NTFP industry**

The alliance continued on educating western markets about Nepal's initiatives towards sustainable supply of NTFPs. The alliance shared with some industry leaders and associations in the West about the issues of NTFPs and briefed on how to support Nepali NTFP industry and their sustainable supply. The following activities were undertaken to educate NTFP buyers in this period.

#### *5.a. Promotion of Nepali NTFP certification system in NTFP industry abroad*

To promote the certification system, NTFP industry leaders like Aveda have been consulted to get their inputs on the alliance NTFP certification and marketing initiatives and they have involved in the alliance activities so as to promote the alliance NTFP certification program abroad. Mr. Walter Smith, Dr. David Hircok, and Ms. Ann Koontz have shared the alliance NTFP certification program and its progress at various meetings and workshops including industry leadership symposium in the US. The alliance members (Dr. David Hircok, Mr. Bhishma Subedi, and Ms. Ann Koontz) participated the industry leadership conference in the second week of October 2003. They shared the initiatives taken in Nepal for sustainable management and responsible business practices and promoted Nepali NTFPs in the US market. The presentation by Mr. Subedi is found in website and included in **Annex 21**.

Through Rainforest Alliance, the initiatives taken in Nepal on NTFP certification have been shared abroad. As discussed above under 2.h., Rainforest Alliance also published an article on the PPA alliance project and its progress (Nepal forest user groups and PPA project) in CANOPY (web-based newsletter, circulated to 30,000 recipients) in spring issue. E/The Environmental Magazine (volume XV, no 2, March/April 2004) published the interview of the Alliance Coordinator Bhishma P. Subedi, in which he highlighted the certification issues.

ASNAB organized meetings with Dr. Akash Chopra, CEO of Biosys, UK to discuss on alliance NTFP certification and marketing initiatives. Mr. Ram Prasad Acharya presented a paper on Nepal's initiatives on sustainable forest management and forest certification to International Training on Forest Certification in Sweden. The presentation highlighted the alliance NTFP certification initiatives and Nepal's forest and community forestry progress.

#### *5.b. Industry leadership conference in US*

Industry leadership symposium was organized in the second week of October 2003 (This was reported in the last annual report). Ms. Ann Koontz, Mr. David Hircok, and Mr. Bhishma P. Subedi participated in the industry leadership symposium. The alliance members shared with the industry leaders about the NTFPs of Nepal and the issues related to NTFP development and

business in Nepal. Among others, the conference was sponsored and coordinated by Aveda and around 100 leaders from NTFP industry and sub sector largely in the US were present in the conference. One of the comments that came out of the last meeting for the symposium planning was that the symposium is really the only venue in the U.S. for plant products that is bringing together such a wide constituency. The symposium and the PPA work in Nepal are providing a model and planting the seeds with industry for how sustainable plant sourcing can be done. **Annex 22** provides the details on the industry leadership symposium.

### *5.c. Documentation and dissemination of NTFP related issues*

Documentation and dissemination of NTFP related issues were done in conjunction with the other activities like alliance activities review and planning meeting, alliance sharing meetings, profile making for selected NTFPs, lesson learned documentation, publications, and NTFP policy analysis and discussion (please also see 1.a., 1.g. 1.h., 2.h. 3.c. 6.a., 6.b., and other appropriate sections and the annexes referred there for details). The workshops, meetings, and seminars organized by the alliance members as well as other organizations were participated to discuss and share on the NTFP related social, cultural, economic, political, and environmental issues. In addition, with the funds leveraged from IDRC, a video documentary on Yarsagumba “In Search of Yarsagumba A Trans-Himalayan Journey” was produced. The video documentary documents the socio, economic, environmental, and policy issues related to Yarsagumba collection and trade in Nepal. The video documentary was broadcast in June 2004 on Nepal Television under the ‘Ankhihyal’ program, an environmental TV program of Forum for Nepal Environmental Journalists (NEFEJ).

## **Objective 6: Lobby for an enabling policy environment**

In year one, the project along with other projects of ANSAB undertook policy survey and analysis workshops in the districts and organized a national policy workshop on NTFPs, which developed policy recommendations. The recommendations of the workshop and inputs of ANSAB were provided to Herbs and NTFPs Coordination Committee. This year, the alliance contributed to developing NTFP policy 2061, provided policy recommendations to the coordination committee and MFSC on cultivation of NTFPs on private land and royalty of Yarsagumba and other NTFPs. The alliance lobbied with Ministries of Finance as well as Forests and Soil Conservation for reducing or lifting taxation on community forest user group incomes from forest products. The alliance has been undertaking a study on policy process to provide recommendations to improve it. The major policy related activities are explained in the following section.

### *6.a. Review and analyze NTFP policy*

Contribution to drafting NTFP policy 2061: ANSAB has taken a lead coordination role in the development of National NTFPs Development Policy 2061 (2004). The entire process of new policy formulation that took place is summarized below.

In order to maximize potential contribution of NTFPs to conservation and community livelihood improvement, there has been a growing realization in the recent years of the need to create an enabling policy environment with simple rules and straight implementation in Nepal. The agenda became the national one as ANSAB through NNN raised the issue showing some concrete cases how improved policy can benefit both for conservation and poverty reduction. In recognizing the need to develop conducive policy environment in this sub-sector, a national level forum “Herbs and NTFPs Coordination Committee (CC)” chaired by Minister of Forests and Soil Conservation

has been formed in 2002. ANSAB has been appointed as a member of the high level committee to represent International/Non Governmental Organizations (I/NGO), NNN, HJSS, FECOFUN and others involved in the promotion of NTFP sub-sector.

The second meeting of the committee made a task force to study existing situation and make recommendations to reform policy and regulations. ANSAB has coordinated the taskforce and the policy development process. ANSAB initiated the whole process of policy development by building on past experiences, reflections and learning from grassroots experience and NNN activities. With multi-stakeholders consultation and interactions at local and district levels, ANSAB in close coordination with HJSS and FECOFUN carried out policy review followed by district level policy analysis workshops in 9 districts-Darchula, Bajhang, Bajura, Jumla, Mugu, Dolpa, Kalikot, Dolakha, and Sankhuwasabha. After the completion of a number of field studies and policy reviews from grassroots perspectives, a national workshop was held in July 4-5, 2003 in Nagarkot by involving widest possible range of stakeholders that represented a variety of institutions including Ministry of Forests and Soil Conservation (MFSC), Department of Forests (DoF) and Department of Plant Resources (DPR), FECOFUN, HJSS, NTFPs Promotion Public Private Alliance (PPA), NNN members, and donor organizations including USAID, IDRC and SNV Nepal.

The task force drafted a national policy for NTFP development. The draft was circulated and discussed among the key stakeholders. Similarly, Ministry of Forests and Soil Conservation organized a final policy review workshop at national level in March 3, 2004, in which the new NTFPs development policy draft was presented to workshop participants representing all key stakeholders. All such innovations, discussions and analyses have uncovered several issues pertaining to the NTFPs regulation in the country. As a result of these efforts and feedback, His Majesty's Government of Nepal (HMG/N) has prepared a separate NTFP policy for the promotion of the sub-sector. In drafting and finalizing the policy document, ANSAB was continuously involved playing a key role of bringing the voices of all key stakeholders including the grassroots for the first time in the policy formation process in Nepal. The policy document is now already approved by the cabinet, and is in effect. In such a way ANSAB emerged and demonstrated as a policy champion and facilitator to lead the NTFPs policy development process in Nepal by building on and reflecting past experiences, and by mainstreaming and incorporating voices from grassroots to national level stakeholders in a coordinated manner. The NTFP policy is provided in **Annex 23**.

Recommendations to MFSC on cultivation and trade of NTFP from private land: During the reporting period, ANSAB also led another task force commissioned by the Herbs and NTFPs Coordination Committee so as to recommend strategic options for the promotion of private cultivation of NTFPs. The strategies and suggestions in this regard were already submitted to the Ministry of Forests and Soil Conservation, Nepal. The policy recommendation document is provided in **Annex 24**.

Policy analysis and recommendations on royalty: With the previous efforts coordinated or led by ANSAB, the collection ban on Yartshagumba was lifted, but the royalty set at Rs. 20,000 per kg is still too high and export ban without processing has created barrier for legal trade. There is neither any knowledge nor any practice of processing it that would add value to the product. Although the trade is going on, the government is able to neither collect royalty nor enforce the export ban. The royalty rate is to be decided so as to ensure conservation, sustainable utilization and trade of the NTFP resources. The current system of determining royalty rates is arbitrary. Through NNN and other several forums ANSAB has raised the issue of impractical ban and prohibitively high royalty

rate to the attention of policy makers and senior government officials and providing them with the relevant information so as to lift the ban and determine the royalty rate based on the market.

A study on policy development process: With leveraging funds from other ANSAB projects, a national level workshop was organized in order to document the experiential learning of national level actors and stakeholders in the evolution of community forestry and NTFP oriented policy formulation Nepal during July 29-30, 2004 congregating key stakeholders and representatives from Ministry of Forests and Soil Conservation (MFSC), Department of Forest (DoF), Department of Plant Resources (DPR), Himalayan BioTrade Limited (HBTL), Federation of Community Forestry Users, Nepal (FECOFUN), Business Development Services-Marketing and Production services (BDS-MaPS), Himali Jadibuti Sarokar Samuha (HJSS), Nepal Forum for Environment Journalists (NEFEJ), The Netherlands Development Organization (SNV), Natural Resources Management Sector Assistance Programme (NARMSAP), New Era, ANSAB (Asia Network for Sustainable Agriculture and Bioresources) including representative from International Development Research Centre (IDRC). The workshop mainly focused its interaction and discussions on the following issues in relation to community forestry and NTFP promotion in view of lessons learned of key stakeholders, their approaches and strategies:

- Royalty, taxation, ban, restriction and lifting
- Resources assessment and inventory
- Institutions arrangements

**Annex 25** provides the proceedings of the policy workshop. The policy study is ongoing.

#### *6.b. Organize forums for policy advocacy*

Apart from attending the policy forums organized by the other organizations, alliance organized three NNN sharing meetings in Kathmandu to discuss on the NTFP policy issues and recommend on creating favorable policy environment for community forestry, forest and NTFP certification, enterprise development, and NTFP marketing. The participants of the sharing meetings include the alliance members, MFSC and its departments, HNTFP-CC, donor organizations, forestry projects, private sector companies involved in NTFPs, I/NGOs, journalists, and representatives from the districts. The sharing meeting discussed on i) NTFP policy 2061, ii) royalty rates of various NTFPs including Yarsagumba, iii) taxation on the forestry product incomes of the community forest user groups, iv) NTFP trade barriers like collection and transit permits, hurdles in NTFP transportation, multiple taxations, ban on export without processing, v) inventory guidelines and harvesting practices, vi) forest and NTFP certification, vii) NTFP marketing and market promotion activities, viii) quality testing facilities, ix) various activities undertaken and planned by the organizations to promotion sustainable management and promotion of NTFPs, and x) policy development process in forestry sector. **Annex 26** provides the minutes of the NNN sharing meetings. ANSAB worked with its alliance partners, especially FECOFUN, Alliance for Natural Resources, Nepal (ANAR), and HJSS to make recommendation to the government to remove or reduce the 40% tax to CFUG on sale of timber from their CF. Several delegations and briefing were made to Ministers for Finance, Forest and Soil Conservation and their high ranking officials. As a result, the government removed the tax on all timbers except two species (Sal and Khair) for which the tax is reduced to 15% of sales.

### c) Funds management for PPA Activities

Until the second year of the project (2/3<sup>rd</sup> of the total project period), the alliance has invested Rs. 57,261,019 to undertake the project activities. Out of the total investment, USAID fund contributed nearly 30.5% and rest 69.5% came from the leveraged funds (see **Table 8** below). As the work plan for year 2 got approval only in May, some of the activities got affected. Activities like product development and marketing study visit for PPA alliance members and trade promotion visit to the US were postponed. Nevertheless, the project became successful to complete the most of the planned activities surpassing the expected outcomes/targets. ANSAB did it best to be most effective and cost efficient while implementing the project activities by matching the interests and sharing the resources of other projects and organizations.

**Table 8: Cumulative Funds for PPA Activities**

S.N.	Organization	Amount in Rs.
<b>1</b>	<b>USAID Nepal Fund</b>	<b>17,465,769</b>
<b>2</b>	<b>Leveraged Fund*</b>	
<b>a</b>	<b>Asia Network for Sustainable Agriculture and Bioresources (ANSAB)</b>	<b>14,024,900</b>
<b>b</b>	<b>Aveda</b>	<b>20,853,200</b>
<b>c</b>	<b>Nepal NTFP Network (NNN)</b>	
	Federation of Community Forestry Users Nepal (FECOFUN)	307,950
	Himalayan BioTrade Pvt. Ltd.	491,000
	Enterprise, Environment, and Social Impact Consulting (E <sup>2</sup> SIC)	2,205,800
	SNV Nepal	709,750
	Gorkha Ayurvedic Company (GAC)	458,800
	NNN members contribution	743,850
	<i>NNN Total</i>	<b>4,917,150</b>
	<b>Total Leveraged Fund</b>	<b>39,795,250</b>
	<b>Grand Total</b>	<b>57,261,019</b>

Note: \*The leveraged fund is estimated by the concerned organizations for their in-kind and other contribution to the PPA. As some of the alliance members have not supplied their records for the entire period, the figures showed here are likely to go up.

## IV. MANAGEMENT ISSUE

USAID approved the alliance's work plan for this year in mid of May, 2004. Although the security situation in the both districts did not improve in this period, ANSAB and the alliance members carried out most of the planned activities including those targeted at the field level. As the settlement level activities were found to be most effective to train the community members, most of the capacity building activities were undertaken at the settlement level. Local resource persons were developed and mobilized at the FUG and settlement levels with the continuous backup support from the ANSAB field staff and FECOFUN district members.

The capacity of FECOFUN and its district chapters was strengthened for forest certification and FUG social mobilization activities. The project involved local stakeholders, especially district FECOFUN and local NGOs, while carrying out the most of field level social mobilization and capacity building activities. With the active involvement of the alliance companies, new product development and NTFP market promotion activities were undertaken. Rainforest Alliance made 4 trips to Nepal to train the national level stakeholders and supported in installation and development of certification system in Nepal.

ANSAB has become successful to leverage additional funds for the alliance activities. Additional funds have been leveraged from ICCO Interchurch Organization for Development Cooperation for MIS activities, from IDRC for policy research, and from SNV/Nepal for capacity building of FECOFUN on certification.

## V. ANNEXES

PPA

## Annual Performance Report

November 15, 2004

Cooperative Agreement Award

No.: 367-A-00-02-00209-00

**Project Title:**

**Certification and Sustainable Marketing of  
Non-timber Forest Products (NTFP) – Public  
Private Alliance (PPA)**

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**Certification and Sustainable Marketing of Non-Timber Forest  
Products (NTFP) – Public Private Alliance (PPA)**

**Annual Review and Planning Meeting**

**January 9–10, 2004**

**Proceedings**

**Organized by  
Asia Network for Sustainable Agriculture and Bio-resources  
(ANSAB)**

**Moderated by  
Organization Development Centre (ODC)**  
Together We Develop, Transform & Grow

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## Abbreviations

ANSAB	Asia Network for Sustainable Agriculture and Bioresources
CFUG	Community Forest User Group
DDC	District Development Committee
DoF	Department of Forest
DPR	Department of Plant Resources
E <sup>2</sup> SIC	Enterprise, Environment, and Social Impact Consulting
FECOFUN	Federation of Community Forest Users, Nepal
FSC	Forest Stewardship Council
GAC	Gorkha Ayurved Company
HBTL	Himalayan Bio–Trade Private Limited
HJSS	Himali Jadibuti Sarokar Samuha
HMGN	His Majesty’s Government of Nepal
IDRC	International Development Research Center
SARO	South Asia Regional Office
MFSC	Ministry of Forests and Soil Conservation
NGO	Non-Government Organization
NNN	Nepal NTFPs Network
NRM	Natural Resource Management
NTFP	Non Timber Forest Product
PPA	Public Private Alliance
SNV	The Netherlands Development Organization
USA	United State of America
USAID	United States Agency for International Development
VDC	Village Development Committee

## Executive Summary

Asia Network for Sustainable Agriculture and Bioresources (ANSAB) organized a two day long Annual Review and Planning Meeting of Certification and Sustainable Marketing of Non-Timber Forest Products - Private Public Alliance (PPA) on January 9-10, 2004 at Godavari, Kathmandu. Representatives from all alliance members identified so far were present in the meeting. They include U.S. product buyers and designers (Aveda and its extended industry contacts of the American Herbal Products Association); certification expertise (Rainforest Alliance); a diverse range of Nepali companies (Himalayan BioTrade Pvt. Ltd., Gorkha Ayurved Company (P) Ltd., and Alternative Herbal Industry); Nepali Networks and NGOs (Asia Network for Sustainable Agriculture and Bioresources (ANSAB), Nepal NTFP Network (NNN), Himali Jadibuti Sarokar Samuha (HJSS), Nepal Swiss Community Forestry Project (NSCFP), and Federation of Community Forest Users, Nepal (FECOFUN)); government (DPR, DoF); and donors (IDRC, Ford Foundation, SNV) that have been developing community forest user groups and NTFP industry coordination within Nepal.

The objective of the meeting was to review the alliance progress in year one, to finalize the year two work plan, and to share experiences of alliance members on forest certification initiatives in Nepal.

On the first day, several presentations and sharing were made on major highlights of the alliance progress, on going alliance activities, group certification models and process, business promotion and sustainable links to market, organic production and certification of NTFPs in South Asia. After presentation and discussion, a draft plan of PPA Year 2 was handed out to the participants and requested to bring out issues and innovative ideas/suggestions to finalize the plan. The day was ended along with a documentary show of "*The search of Yarsagumba*" produced by ANSAB.

The second day began with brainstorming and discussion on a number of new activities and issues in terms of how these could be incorporated and addressed in the PPA Year 2 Plan. Moreover, during the discussion several issues and ideas were shared which many felt needed to be addressed in order that the alliance could be more effective. The participants stormed their mind to plan detail activities for the next year, and through consensus and common understanding the work plan for PPA Year 2 was finalized.

## 1. Introduction

Certification and Sustainable Marketing of Non-Timber Forest Products (NTFP) – Public Private Alliance (PPA) project was initiated in September 2002 with ANSAB as the coordinator of the overall Alliance activities. The project is an initiative of bringing together US product buyers and designers, certification experts, a diverse range of Nepali companies, networks and NGOs, and donors to assist in the NTFP sector of Nepal in order to:

- increase income and employment for Nepal's NTFP producers (especially in remote rural areas);
- promote sustainable resource management;
- institute a certification program for NTFPs in Nepal; and
- expand responsible buying practices among industry members in the West.

The specific objectives of the project are to:

- promote Community Based Forest Enterprises to ensure sustainable use of NTFP, alleviate poverty in rural areas, and consolidate Forest User Groups' supplies to make attractive to buyers
- implement certification model for Nepal that takes into account its NTFP and forest user group (FUG) resources and encourages good governance of community resources
- improve and maintain quality and consistency of Nepali NTFPs
- gain better market position for Nepali NTFP in international markets; including exploration of certification options and design coordination with buyers
- educate NTFP buyers on how to support Nepal NTFP industry to achieve sustainable long-term supplies of quality products
- lobby for an enabling policy environment for free and fair trade practices

ANSAB coordinates the overall alliance activities e.g. convene alliance meetings and workshops; provide technical and business development services to CFUGs and CBFES; administer product design and development research grants; and facilitates alliance activities in order to achieve the intended results of the project.

The PPA provides an opportunity to demonstrate and generate leading practices in certification models for NTFP and forest communities; poverty alleviation for forest communities through industry/producer product design collaboration and NTFP industry "responsible buying" practices. Each of the alliance members brings along expertise in their respective fields that are supportive for the implementation of the project objectives.

Upon completion of one year of the project on Certification and Sustainable Marketing of Non-Timber Forest Products (NTFPs), a **Review and Planning Meeting** was organized on January 9-10, 2004 in Kathmandu. The detail of the program schedule is given in ***Annex 1(Please contact ANSAB if needed)***.

There were 24 participants in the meeting representing different alliance members with national organizations working in the field of developing community forest user groups and NTFP industry coordination in Nepal. The participant list is provided in ***Annex 2 (Please contact ANSAB if needed)***.

The different organizations involved in the meeting are as following:

- *US product buyers and designers:* AVEDA and its extended industry contacts of the American Herbal Products Association
- *Certification expertise:* Rainforest Alliance

- *Nepali companies:* Himalayan BioTrade Pvt. Ltd., Gorkha Ayurved Company (P) Ltd, Alternative Herbal Company (AHI)
- *Nepali Networks and NGOs:* Asia Network for Sustainable Agriculture and Bio-resources (ANSAB), Nepal NTFP Network (NNN), Himali Jadibuti Sarokar Samuha (HJSS), Federation of Community Forest Users, Nepal (FECOFUN) and Nepal Swiss Community Forestry Project (NSCFP)
- *Government:* DPR, DOF
- *Donors:* SNV, IDRC, Ford Foundation

## **2. Objectives of the Meeting**

The objectives of the meeting were as following:

- Review the alliance progress in year one of the project (October 2002 - September 2003)
- Share experiences regarding certification initiatives among the alliance members
- Review and finalize the year two draft work plan (October 2003 - September 2004)
- Improve the alliance effectiveness

Day 1 was focused on sharing/presenting the progress, review and experiences of the alliance members on year 1 activities. Day 2 was set aside to discuss and finalize the PPA Year 2 work plan and bring suggestions to improve the effectiveness of the alliance.

The meeting also ensured grounds for participants to exchange other experiences and practices related to NTFP sub-sector, bringing about better and enhanced understanding, knowledge and lessons learnt in the field.

## **3. Highlights of the Meeting**

### **3.1 Introductory Session**

Mr. Bhishma P. Subedi, Executive Director of ANSAB welcomed the participants of the Review and Planning Meeting, national and international partners/collaborators, particularly AVEDA, Rainforest Alliance and EESIC, those making efforts to participate in the meeting from the far away places. He expressed thanks to USAID for providing support to effectively carry out different activities for the promotion of Certification and Sustainable Marketing of Non-Timber Forest Products. He introduced the objectives of the meeting and requested all to actively review the last year progress and the draft plan of year 2 in order to bring out responsive and concrete plan guides for the program implementation. He was positive that the 2-day meeting would provide opportunity for all stakeholders and partners to share experiences, review the previous years' activities, discuss and finalize the future activities, specifically year two.

Dr. Udaya Raj Sharma, Director General of Department of Plant Resources/Ministry of Forests and Soil Conservation stressed the importance of such forum that has brought together professionals and experts working in the field of certification and sustainable marketing of NTFPs that contribute to forest certification move in Nepal. Dr. Sharma raised the issue of Nepali NTFP trade and its potential market in Asia region and worldwide. He mentioned about the impediments created due to lack of forest certification process that is based on sustainable management, and limited access to market outside Nepal. Considerations on the industrial perspective on NTFP and the related challenges and opportunities faced by representatives, both in national and international level were emphasized.

Dr. Sharma suggested that the Herbs and NTFP Coordination Committee within MFSC has a special role to play on NTFP promotion, marketing and even on promotion of forest certification process.

After these deliberations, an introduction of participants/partners was carried out and the agenda of the meeting was shared.

### **3.2 Review of PPA - Year 1**

The review of the PPA progress began with a series of presentations (followed by plenary discussion and clarification of issues) by alliance members on their areas of responsibility, expertise, business and experience. These presentations materials as such are found in ***Annex 3(Please contact ANSAB if needed)***.

Mr. Bhishma P. Subedi, Alliance Coordinator, presented the major highlights of the alliance progress of Year 1.

The highlights were as follows:

- The Project in itself is an innovation and is forward-looking.
- The Alliance has worked on awareness raising and promotion regarding certification of NTFPs among multiple stakeholders including HMGN, FECOFUN and other likeminded organizations recognizing it.
- Certification Pilot Model for group certification has been finalized where FECOFUN is acknowledged as “certificate holder”. The Alliance has completed preliminary assessment and developed Nepali guidelines for forest certification and Rainforest Alliance has trained 26 representatives from economic, environmental and social disciplines. However, a system needs to be developed for FECOFUN to be acknowledged as “Resource Manager” and the district /community level FECOFUN are strengthened for this.
- The issue of product design and development and the need for consolidation of networks for better supply is still premature. ANSAB has been providing monthly market information on 22 species to different relevant actors, which has been well appreciated.
- The process of bringing the voices of the grass-root people related to policy issues was mentioned. A workshop organized by ANSAB and participated by a wide range of stakeholders including representatives of NNN, HMGN, FECOFUN was catalytic in providing draft policy on NTFP.
- The challenges faced were presented. The current socio-political situation with sensitive security situation and restricted mobility demands a more adaptive/flexible management to implement the activities. This is in order to be responsive and capture the unplanned opportunities in security sensitive area e.g. Bajhang and Dolakha. Overcoming the knowledge gap of the community and other actors remains a huge challenge. Awareness on property rights, enterprise development, better documentation and appropriate dissemination mechanisms could help address this issue.

Some of the issues raised during clarification and open discussion session are as follows:

- Clarification was sought on adaptive management in the project, to which the presenter referred to the current security situation that requires a flexible working approach for effective implementation of project activities and thereby project success in the current situation. The participants all agreed that adaptive management is needed and that the donor - USAID - will support this approach.



- Dr. Madhav Karki raised the issue of the supply chain trend, where the market will be the ultimate challenge for Nepali NTFPs along with brand development. He suggested to look into new business model and therefore to educate people in the business about chain of custody and responsibility.
- Appreciation was expressed with regards to national standard Nepali guideline developed for the certification process.

#### **Sharing by Dr. Ganesan Balachander, Ford Foundation India**

Dr. Ganesan Balachander, Resident Representative, Ford Foundation, India shared on the areas that Ford focuses on, such as 1) asset building, innovative ideas and risk taking aspects in conservation of NRM, developing finance and economic security to address poverty reduction; 2) peace and social justice through strengthening local governance, strengthening indigenous philanthropy/wealth generation and reproductive right of women; and 3) knowledge creation with focus on different forms of education.

Dr. Balachander stressed the need to develop multi dimensional necessities such as skills, technology, asset building, product enterprises, social capital and its sustainable use. With regards to certification aspect, he mentioned that business viability, social equity and ecological integrity have to be considered in conservation, livelihoods and enterprise development. The consumer's point of view - credibility of the products they are buying, quality of products and local market are important aspects to be considered. Transparency of the chain/process, accountability and effective use of resources, creating a bargaining ground between buyers and sellers and information network were other areas he suggested to be looked into by the project.

#### **Presentation by Dr. David Hircock, AVEDA**

Dr. David Hircock's presentation focused on "*Bringing the voices of the people and giving peoples a voice*". The experience of the different business models practiced in the past decade on transparency and traceability in the Chain of Custody was shared. In order to address the ground reality, the presenter stressed that a global voice is needed and that success should be credited to the "indigenous" people who are the sources of rich knowledge and practices and hence returns should go to them. The quality consistency of product line, sustainable links to market and raising the profile of Nepal as the NTFP product supplier are requirements for Nepali NTFPs to meet the quality standards. Similarly, value addition and fair and equitable benefit sharing – making businesses understand the impacts of it with buying practices (currently based on price only) needed to be addressed.

#### **Comments and queries:**

- Shorten the chain between buyers and producers in the business models and make the buyers in the West bring into responsible buying practices and traceability.
- The FSC model of certification and its guidelines should be "adapted" to local context and Nepali agenda, considering the social, environmental and economic aspects and flexibility.
- Transparency, listening to people at local level and addressing their needs complement the traceability aspect.

The slide presentations dwell on the significance of the indigenous people and their voices and contributions being respected.

**Presentation by Dr. Walter Smith, Rainforest Alliance**

Dr. Smith's presentation focused on forest certification process and the capacity building aspects in this regard. He acknowledged that the certification activities has taken a speedy mode since Private Public Alliance set its goal towards promoting sustainable resource management and institutionalization of certification program for NTFP in Nepal.

Understanding of Forest Stewardship Council principles and chain of custody certification has become wider among the potential group whose involvement is crucial in the certification process. The development of certification guideline for Nepali context is being considered as a major output.

The Latin America study tour of four alliance members contributed in acquiring knowledge to bring into practice in Nepal. The lessons learnt from Brazil visit have fostered grounds to further uphold forest management with far-sighted vision to tackle the challenges.

A "Get Certified Workshop" held in June 2003 paved the way for certification process and built confidence, which finally enabled to find out a distinct model for forest certification in Nepal. The assessor training held in November 2003 had 36 participants from different social, economical and environmental disciplines. The course has been very productive for skill development in the forest assessment and certification process.

**Comments:**

- Sharing of knowledge to the PPA members about FSC certification drew keen interest from all to set up the work to create better understanding for sustainable management of forest, link it to market benefits as well as address the potential barriers in FUG management.
- Brazil trip (10 days) was significant in terms of lessons learnt. The participants of Brazil visit shared the difficulties faced by different actors; donors, government and management in the meeting.
- A query was raised on whether mechanism for other product certification existed for e.g., as local market are a real sustainer but Nepali NTFPs have a great potential to get new markets outside Nepal.

**Sharing by Dr. Udaya Raj Sharma, DPR**

Dr. Udaya Raj Sharma, Director General of DPR mentioned that involvement of grass root consultations would be far better; however it takes more time to bring together the community perspectives for policy formulation. Despite this, we have made much effort to involve their consultations. ANSAB took a lead in this regard. The Herbs and NTFP Coordination committee (13 members) under the chairmanship of Secretary of Ministry of Forest and Soil Conservation constituted a sub-committee to come up with policy recommendations on NTFP. The Nagarkot policy workshop was instrumental in preparing the final draft, which has been forwarded to the Ministry after several levels of consultation. He further added that in February a national workshop would be held to discuss the wider implications of the draft policy, where representatives from the ministry, I/NGOs, CBOs, and the industry would be involved. A final meeting would then be held prior to forwarding the policy recommendation to the Cabinet.

He briefly shared the principles related to policy considerations for conservation and sustainable management of plant resources (Herbs and NTFPs) in Nepal. These are as follows:

- Conservation and utilization on the basis of sustainable development principle
- Encourage participation
- Simplify certification and tax system
- Make research and development (R&D) accessible to communities
- Increase awareness and provide facilities for skill development and commercialization

#### **Comments and queries:**

- Queries were raised on the kind of mechanism that exists to share or replicate the learning of the certification piloting in Bajhang and Dolakha districts. Citing an example that most often comes across the USAID projects, Dr. Sharma emphasized on the sustainability aspect after the project phased out.
- It was suggested that one of the role of the NTFP Coordination Committee would be to take forth the learning and disseminate it to the different stakeholders.
- Strengthening community level actors is a necessary along with awareness on FSC principles.

#### **Presentation by Mr. Bhola Bhattarai, FECOFUN**

Mr. Bhola Bhattarai introduced FECOFUN, its objectives and activities, which mainly are CFUG support program, women empowerment, advocacy and legal support, NTFP promotion and income generation, resource and information dissemination and organizational strengthening.

The role of FECOFUN in forest certification was shared– developing human resources through training, dissemination of information on certification, preparing certification guidelines in Nepali were major outputs in year 1. The experience on the Group Certification Model was presented. The certification issue being new, understanding the certification process posed great challenges for discussion. The learning includes network development with GAC/HBTL and ANSAB, certification model development, the community forestry actors moving towards issues of certification, benefit sharing and responsible buying practices.

The training on certification has been very fruitful but strengthening the district level FECOFUN on certification and other aspects is required in order that FECOFUN can support in the movement of creating awareness and providing support to the community level actors on sustainable forest management.

#### **Comments:**

- Query was made on reactions of FUG on certification issue and the benefit they perceive from understanding such process, to which the presenter responded that the FUGs are very positive even though initial difficulties and confusion existed. The FUGs are applying the information gained and sharing it with others. FECOFUN also creates awareness through radio program and publications where such issues and information are presented.
- Suggestions on exploring the successful experiences in India were also provided in the context of bringing others in the certification model other than the FUGs.

#### **Presentation by Mr. Man Prasad Khatri, HJSS**

Mr. Man Prasad Khatri (Vice Chairperson of HJSS) briefly introduced HJSS; an NGO established in 2001 and working in 10 districts of Himalayan region. HJSS strives to work for sustainable development, conservation and marketing of NTFPs and provide policy

recommendations to promote valuable NTFPs in Nepal. Through awareness raising activities on NTFPs including training, relation/network development – including political affiliation and sharing of experiences with likeminded organizations at national and international level, HJSS aims to be active actor in the NTFP sector. As a member of the Alliance, HJSS took part in the certification training, which they found to be very beneficial including sharing of knowledge and experiences among Alliance members in the NTFP sector. The challenges mentioned are security problem to work with communities, inadequate information and limited flexibility of Alliance activities.

#### **Presentation by Mr. Prem Tiwari, GAC**

Mr. Prem Tiwari, Managing Director of Gorkha Ayurved Company (P) Ltd. introduced briefly his organization which focuses on building linkages with the communities and markets through a network of FECOFUN, cottage industries, international and domestic markets. The major products that GAC produces are health care products and Ayurvedic medicines. As a part of the review of PPA Year 1 activities, the product concept design (5 products designed) training in cultivation, harvesting and storing and product sampling were highlighted. Furthermore, community based raw materials purchase; enterprise networking (business to business linkage) and certification initiation internalization were mentioned as key activities carried out. The challenges presented were 1) access to international market where Good Manufacturing Practice is an issue, 2) raw materials availability and inventory and 3) meeting export standards of USA and Europe simultaneously.

#### **Presentation by Mr. Parbat Gurung, HBTL**

Mr. Parbat Gurung, Managing Director of Himalayan Bio Trade (P.) Ltd (HBTL) shared the experiences on promoting forest products harvested from sustainable managed forests, which provides support to community based forest enterprises through responsible marketing. HBTL focuses on linking local producers with markets and buyers. As part of the review of PPA year 1 activities, the product development (oils, lokta paper, soap and cold cream) product diversification, and enterprise and entrepreneurship development were highlighted. In the latter trainings, practices for new enterprise creation models were highlighted. The challenges mentioned are access to international markets, knowledge gap on consumer behavior/demand, cutthroat competition in the domestic market and lack of entrepreneurial culture in the target community.

#### **Presentation by Dr. Madhav Karki, IDRC SARO New Delhi**

Dr. Madhav Karki, Regional Program Coordinator, IDRC/SARO, New Delhi, India said trust needs to be developed between buyers and producers. He emphasized on promoting ecologically integrated, economically viable systems with social justice aspect by the concerned stakeholders in the NTFP sector. He furthermore, focused on the traceable collection and cultivation system. Considering the FSC criteria and the competitive environment in Nepal, NTFP sub sector stakeholders would be able to gain a win-win situation.

The group certification model, to be tested in Nepal, would need to consider the product certification too, as Nepal will have to face stiff competition e.g. Chiraito market. Certification is also needed, from a business opportunity point of view, in order to develop better chain to access the market. He suggested the need to deal with the barriers to market access, promoting quality products and adopting integrated holistic production system. Experiences were shared on networks, regional scoping studies on marketing of NTFPs,

buyers and producers relation/trust building in South Asia and sustainability of NTFP resource base.

#### **Presentation by Ms. Ann Koontz, EESIC**

Ms. Koontz shared the experiences of the PPA year 1 activities where she stressed the fact that within a short period collaboration and sharing among partners and likeminded organizations through the network have taken place and has formed a basis for promoting forest certification in Nepal. She observed potential that Nepal PPA project is now “on the map” with members of the American Herbal Products Association. She also mentioned the dispatched essential oil samples to potential buyers for assessment and envisaged the potential order for AVEDA disclosing that project is now represented on industry group. Koontz also made recommendation to explore link with Rutgers for QC services and potential training to do cost pricing analysis scenarios, to develop product background and story sheets and to form Nepali Marketing group.

Mr. Francisco Tolentino, Advisor, SNV Nepal was requested to share the experiences of SNV in relation to capacity building and promotion of NTFP sub-sector. He shared on the community level activities carried out in cooperation with ANSAB and shared the learning from Brazil trip.

The presentation and discussion session ended upon handing out the draft plan of PPA Year 2 Activities. Participants were requested to bring out issues and innovative ideas/suggestions to finalize the plan. The day 1 session ended at 18:00.

#### **Documentary Video Presentation**

A documentary entitled "*The Search of Yarsagumba*" depicting the difficulties of people of Darchula district in making a livelihood out of collecting Yarsagumba (*Cordyceps sinensis*) was shown. The documentary highlighted the challenges and risks as well as the hardships caused by policy and current socio-political unrest in the country for villagers relying on NTFP harvest and marketing to earn money for livelihood. The documentary was produced by ANSAB with assistance from IDRC, New Delhi.

### **3.3 Issues for PPA Effectiveness**

During the review several issues and ideas were shared which many felt needed to be addressed in order that certification and sustainable marketing of NTFPs could be effective.

Through brainstorming, the issues were collected and categorized into five broad categories. The categories are as follows:

1. Alliance effectiveness related issues
2. Pre-market readiness related issues
3. Market access related issues
4. FUG support and policy related issues
5. Broader constituency building related issues

Please refer to *Annex 4 (Please contact ANSAB if needed)* for the details of the issues.

### 3.4 PPA Year 2 Plan

The issues listed in the broad categories were discussed alongside the draft plan of PPA Year 2 activities. In plenary, the members discussed the issues in terms of how these could be incorporated as activities in the PPA Year 2 Plan and also identify those activities, which would be difficult to incorporate in the immediate plan. The possibility of implementing the suggested activities was further discussed in the plenary.

Some of the activity areas highlighted are presented below:

1. Training on forest management and skill development for certification process:
  - The representatives from FECOFUN, HJSS, and GAC proposed developing mid level human resources as a cost effective alternative of reaching the communities in wider scale on certification and forest management. The mid level human resources were viewed to have easy access to community people.
  - There is a need to make consumers responsible through better information; the mid-level human resources could play the role of facilitators/information broker between communities and industrialists.
  - Maintaining transparency of the layers between the importer and the collector is most important for which the Chain of Custody has to be known.
2. Exposure visits
  - National: Among FUGs, inter-project districts and other visits were suggested as effective as it encourages community to learn from sharing/observation. (Exchange visits e.g. FUGs of Dolakha to Bajhang and vice versa).
  - International: Exposure visits and trade shows would be effective to introduce, promote and market Nepali NTFP sector/products.
3. Market access related issues:
  - Portfolio marketing stories: consider customs, shipping and time in product costing and production analysis.
  - Market research: International market assessment for promotion of NTFP trade and business – suppliers can be inked into a list.
  - International market access: challenge to develop a Nepali brand; promote it through participation in trade fairs and exhibitions by key actors of Nepali NTFP sector.
  - Product development and product positioning in international market: suggestion to look into similar product manufacturing process e.g. India and China.

Through consensus and common understanding, the work plan (activities) for PPA Year 2 was finalized (refer ***Annex 5 (Please contact ANSAB if needed)*** for the detail of the work plan). However, some of activities required further discussion and financial deliberations, for this the members agreed to consider either in year 3 planning or to identify alternatives ways to address it. The general notion was that the alliance for forest certification and promotion of NTFPs need to be stretched beyond the 3 years project period.

### 3.5 Impact Tracking for Alliance Activities

A discussion on Impact Tracking for Alliance activities was held. The current practice and form on impact tracking of the project activities was shared among the alliance members. The progress report containing baseline information and the monitoring plan were referred to while discussing the impact tracking mechanism.

A few participants commented that tracking impact on the project within a short period of 3 years (under two years remaining) is over ambitious and unrealistic. Considering the situation of the NTFP sector in Nepal, the PPA and other concerned in the NTFP sector should try to work towards longer-term input/activities that can facilitate a better and sustained impact - at grassroots/community/ entrepreneur/industries and policy level.

The floor agreed that the progress of the alliance activities would be assessed during July, 2004. ANSAB, FECOFUN and other alliance members will collaborate to undertake the progress monitoring exercises of the alliance.

### **3.6 Further Steps**

At the end of the 2 days meeting, consensus was reached on the following to make PPA more effective:

1. A Nepali "marketing group" to be formed with membership of Ann Koontz, AVEDA, HBTL, GAC and representative of ANSAB.
2. Develop stories at community level (village trust).
3. Develop a model for Alliance Collaboration that can be functional even beyond the PPA project term
4. Explore and identify the role of the mid-level human resources that can create linkages between the market and the people at grass root level.
5. Explore further on how best to develop capacity of the community people – in terms of filling the information/knowledge gap (price, market, product, enterprise and so forth), and to equip them to be in better bargaining positions towards different actors
6. Investigation of effective FSC national standard model would support long-term sustainability in Nepal; hence an assessment on how the FSC certification can be sustainable should be carried out.
7. Next year's Alliance planning meeting to be held by January 2005 (holding the meeting in September 2004 was not feasible for partners abroad).
8. Explore value addition on product development of Anthopogan and Xynthoxylum.
9. The work plan is a guideline for all members and commitment to follow the guideline considering adaptive management approach.

### **3.7 Closing of the Meeting**

The two-day process provided the members an opportunity to thoroughly understand the key issues and areas in forest certification. The sharing facilitated in identifying activities to address the issues was raised. The discussion was highly participatory in nature, with open sharing of views/suggestions and clarifications/simplification of confusions and queries. The workshop ended with a positive note that achievements would multiply by many times in the area of implementing certification model for Nepal that takes into account its NTFP and

forest user group (FUG) resources encouraging good governance and marketing of community resources.

## **4. Conclusion and Recommendation**

### **4.1 Conclusion**

The PPA review and planning meeting conducted on January 9-10, 2004 came up with tangible outcomes together with the completion of work plan through extensive consultation and also creating companionable environment for the promotion of NTFP market linkages and forest certification process.

The encouragement and motivation made by the US buyer and keen interest visible in the meeting towards Nepali products like hand made papers, the efforts modeled and organized by certification expert for certification process and the commitment expressed for policy formulation were articulating consolidated attempt to contribute to the goal of PPA. It follows that the forum provided opportunity for the participants to express their commitment, to share ideas, provide knowledge and give hands and make relations from the side of project's objectives.

In relevance with the objective, the government body on behalf of MFSC inherently expressed the role to play on NTFPs promotion, marketing and forest certification process.

The Public Private Alliance members stormed their mind to plan for the next year, and through consensus and common understanding, the work plan for PPA Year 2 was finalized. Some issues were identified for forest certification and marketing of NTFPs, analyzed their importance and feasibility and handed over the responsibility to alliance members.

Such a forum that brought together professionals and experts engaged in the issue of certification and sustainable marketing of NTFPs was realized to be important from all the participants.

To sum up, according to the opinion of the meeting participants, the meeting was proved to be fruitful as all from national and international level of expertise spontaneously contributed to widen and sharpen the objective and vision of the PPA.

### **4.2 Recommendations**

Besides the activities suggested for the Year 2 PPA work plan, the major recommendations and suggestions made in the spirit of PPA are as follows:

- It was suggested to make attempt for the simplification of certification process. The FSC model of certification and its guidelines need to be “adapted” to local context and Nepali agenda, considering the social, environmental and economic aspects and flexibility.
- More adaptive and flexible management is required to implement planned activities to be compatible with the current security sensitive situation.
- Similar product manufacturing process e.g. in India and China was suggested for observation to get ideas and experiences for product development.
- A Nepali "marketing group" would be better to form with association of Ann Koontz, AVEDA, HBTL, GAC and representative of ANSAB.



- Strengthening of FECOFUN networks from central to district and village level could be important as well as development of system for FECOFUN to be acknowledged as “certificate holder”.
- It will be important to put up efforts for good understanding and cooperation between buyers and producers to create responsible buying practices and traceability.
- International market assessment is necessary for promotion of NTFP trade and business.
- Overcoming the knowledge gap of the community and other actors’ remains a huge challenge. Awareness on property rights and enterprise development, and better documentation and appropriate dissemination mechanisms could help address this issue.
- Explore link with Rutgers for QC services and potential training.

## ***Annex 1: Program Schedule***

### **Arrival day: January 8, 2004**

18:00           Arrival of all Participants at **Godavari Village Resort, Godavari**  
18:00-19:30   Registration and Briefing (logistics)  
19:30-21:00   Dinner

### ***Day 1: January 9, 2004***

#### **07:00-08:30   Breakfast**

08:30-09:00   Registration

09:00-09:30   Opening Session

- Welcome Address & Meeting Objectives, ANSAB
- Introduction of the Participants, Moderator
- Opening Remarks, HMG/N and other Representatives

09:30-10:15   Review of PPA - Year 1: Sharing/Presentation and Discussion

- Highlights of the Alliance Progress in 2003 and Planning for 2004 (ANSAB)

#### **10:15-10:45   Break**

10:45-13:00   Review of PPA -Year 1: Sharing/Presentation and Discussion

- Rainforest Alliance (20+10 min)
- FECOFUN/HJSS (20 + 10 min)

#### **10 min break**

- HBTL/GAC (20 + 10 min)
- AVEDA Corporation (20 + 10 min)

#### **13:00-14:30   Lunch**

14:30-15:30   Sharing/Presentation and Discussion

- IDRC/MAPPA (20 +10 min)
- Ford Foundation (20 + 10 min)
- DPR/DoF Representatives (20 +10 min)

#### **15:30-16:00   Break**

16:00-16:30   Review of PPA - Year 1: Sharing/Presentation and Discussion

- Ms. Ann Koontz (20 + 10 min)

16:30-17:00   Wrap up and Plan for day 2

- Draft Work Plan Year 2

**18:30-21:00   Video Documentary on Yarsha Gumba (41 min)**  
**Reception Dinner**

***Day 2: January 10, 2004***

07:30-08:45 Breakfast

09:00-10:30 Issues & Challenges to Consider for Review & Finalizing Draft Year 2 Work Plan: Plenary Discussion

**10:30-11:00 Break**

11:00-13:00 Finalizing Draft Work Plan for Year 2: Plenary Discussion

**13:00-14:00 Lunch**

14:00-15:30 Finalizing Draft Work Plan for Year 2: Plenary Discussion, Contd.

**15:30-16:00 Break**

16:00-17:00 Discussion on Tracking Impact of the Alliance Activities

17:00-17:30 Wrap-up and Closing

18:00 Departure

***Annex 2: Participants list***

<b>S/No.</b>	<b>Name</b>	<b>Organization</b>
1.	Ms. Ann Koonz	E <sup>2</sup> SIC
2.	Dr. David Hircock	AVEDA
3.	Dr. Walter Smith	Rainforest Alliance
4.	Dr. Udaya Raj Sharma	Department of Plant Resources
5.	Dr. Madhav Karki	RPC/IDRC, India
6.	Dr. Ganesan Balachander	Ford Foundation India
7.	Mr. Prakash Kashwan	Ford Foundation India
8.	Mr. Rajendra Lamichhane	FECOFUN
9.	Mr. Man Prasad Khatri	HJSS
10.	Mr. Parbat Gurung	HBTL
11.	Mr. Prem Tiwari	GAC
12.	Mr. Govinda Ghimire	AHI
13.	Mr. Fransisco A. Tolentino	SNV Nepal
14.	Mr. Dinesh Paudel	NSCFP
15.	Mr. Ganga Rana	ICIMOD
16.	Mr. Bhola Bhattarai	FECOFUN
17.	Mr. Bhaweswor Das	SION
18.	Mr. Bhishma P. Subedi	ANSAB
19.	Mr. Surya B. Binayee	ANSAB
20.	Mr. Indu B. Sapkota	ANSAB
21.	Ms Shova Adhikari	ANSAB
22.	Mr. Ram Prasad Acharya	ANSAB
23.	Mr. Ram Hari Subedi	ANSAB
24.	Mr. Sushil Gyawali	ANSAB
25.	Ms. Deepmala Subba	ANSAB
26.	Ms. Basudha Gurung	ODC

***Annex 3: Presentations detail***

***(Hard copies are already printed from power point as handouts)***

***Annex 4: Issues for PPA effectiveness***

***(Hard copies are already printed from power point as handouts)***

**Certification and Sustainable Marketing of  
Non-Timber Forest Products (NTFP)**

**(Cooperative Agreement No. 367-A-00-02-00209-00)**

**Work Plan for Year 2  
(October 1, 2003 – September 30, 2004)**

**Asia Network for Sustainable Agriculture and Bioresources (ANSAB)**

**P.O. Box 11035  
New Baneshwor, Kathmandu, NEPAL  
Contact: Bhishma P. Subedi, Executive Director**

## ACRONYMS

AHI	Alternative Herbal Industries
AHPA	American Herbal Products Association
ANSAB	Asia Network for Sustainable Agriculture and Bioresources
CBFE	Community Based Forest Enterprise
CF	Community Forest
DDC	District Development Committee
DFO	District Forest Office
FECOFUN	Federation of Community Forestry Users, Nepal
FUG	Forest User Group
GAC	Gorkha Ayurved Company
GDA	Global Development Alliance
GMP	Good Manufacturing Practices
HBTL	Himalayan BioTrade Pvt. Ltd.
HJSS	Himali Jadibuti Sarokar Samuha
HMG	His Majesty's Government
HNTFPCC	Herbs and NTFP Coordination Committee
MFSC	Ministry of Forests and Soil Conservation
MIS	Market Information System
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
NNN	Nepal NTFP Network
NSCFP	Nepal Swiss Community Forestry Project
NTFP	Non-Timber Forest Product
PPA	Public Private Alliance
RA	Rainforest Alliance
SDC	Swiss Agency for Development and Cooperation
SNV	Netherlands Development Organization
ToR	Terms of Reference
US	United States
USAID	United States Agency for International Development
VDC	Village Development Committee

## I. Introduction

The main purpose of the Certification and Sustainable Marketing of Non-timber Forest Products (NTFP) alliance is to increase incomes and employment of NTFP producers and promote sustainable resource management. To achieve this, the project will promote international marketing and sustainable use of Nepali NTFPs, institute NTFP certification program, promote product development, and expand responsible buying practices among industry members.

Asia Network for Sustainable Agriculture and Bioresources (ANSAB) has been working in collaboration with various organizations including some of the PPA project's alliance members for the promotion of NTFPs and CBFs in Nepal since few years back. Federation of Community Forestry Users, Nepal (FECOFUN), Nepal NTFP Network (NNN), Himalayan BioTrade Pvt. Ltd. (HBTL), and Gorkha Ayurved Company (GAC) have long been ANSAB's partners for many activities related to NTFP promotion and enterprise development in Nepal. With the alliance project concept, Aveda and Rainforest Alliance have entered into this alliance and brought global cutting edge industry and certification expertise to the alliance.

With support from and strategic planning with USAID, the alliance brings together U.S. product buyers and designers (Aveda and its extended industry contacts of the American Herbal Products Association); certification expertise (Rainforest Alliance); a diverse range of Nepali companies (HBTL and GAC); Nepali Networks and NGOs (ANSAB, NNN, HJSS, FECOFUN); and donors (USAID, The Ford Foundation, SNV, and SDC) that have been developing community forest user groups and NTFP industry coordination within Nepal.

The alliance offers opportunities for demonstrating and generating leading practices in: 1) certification models for NTFP and forest communities; 2) poverty alleviation for forest communities through industry/producer product design collaboration and 3) NTFP industry "responsible buying" practices. Each of the alliance members has a proven track record in their area of expertise and the activities have great potential for replication across Nepal as well as other parts of the world.

With a solid track record in coordinating the Nepali partners and delivering NTFP enterprise and forest management services to community forest user groups and community based enterprises, ANSAB has been taking the responsibility of coordinating the alliance activities in order to achieve the alliance objectives.

The draft work plan was reviewed and discussed with representation from all alliance partners (with the exception of USAID who was not able to attend) at the alliance activities review and planning meeting held in January 9-10, 2004. Signatures from all alliance members on the proposed activities was not deemed realistic as each member had varying degrees of procedures needed within their organizations to sign an activity document. The alliance members gave verbal concurrence on the activities plan (see Table 1) and responsibilities. This arrangement worked well in the first year and overall the alliance members felt activities and alliance cohesion had made tremendous progress in the first year. The alliance members in attendance expressed the need to use the work plan as a guideline for the alliance members to forward the alliance goal and the objectives, but yet be flexible enough to accommodate new opportunities or adjust to unanticipated constraints.



The members in attendance also expressed the need for flexibility and adaptability to increase the effectiveness of the project activities by bringing new resources, new ideas, new technologies, and new partners, as appropriate.

## **II. Goals and Objectives**

Linking domestic and foreign NTFP buyers, Nepali producers, and Non-Governmental Organizations (NGOs) and government programs assisting the NTFP sector (including certification organizations), the alliance will strive to achieve the following four major goals.

- increase incomes and employment for Nepal's NTFP producers (especially in remote rural areas);
- promote sustainable resource management;
- institute certification program for Nepali NTFP; and
- expand responsible buying practices among industry members.

## **SPECIFIC OBJECTIVES**

The specific objectives of the project are as follows.

- 1) Promote Community Based Forest Enterprises (CBFEs) to ensure sustainable use of NTFPs, alleviate poverty in rural areas, and consolidate Forest User Groups' supplies to make attractive to buyers
- 2) Implement certification model for Nepal that takes into account its NTFP and forest user group (FUG) resources and encourages good governance of community resources
- 3) Improve and maintain quality and consistency of Nepali NTFPs
- 4) Gain better market position for Nepali NTFP in international markets; including exploration of certification options and design coordination with buyers
- 5) Educate NTFP buyers on how to support Nepal NTFP industry to achieve sustainable long-term supplies of quality products
- 6) Lobby for an enabling policy environment for free and fair trade practices

## **III. Activities**

As in the last year's work plan, all the activities and sub activities of the project are organized under the project objectives. The activities planned this year will build on the work initiated by the alliance last year. Hence, some of the activities that initiated last year will continue this year as well. With the experience and learning from last year, some new activities have been planned. Table 1 summarizes the activities planned for the project this year. A brief description of each activity and expected outputs are provided. The proposed activities have been discussed extensively with Nepali alliance members - FECOFUN, Gorkha Ayurved, and Himalayan BioTrade. ANSAB wrote up the plan after discussing with each of the partners either via group or one-on-one meetings with the partners. What still needs to happen is the overall sharing with Nepali and U.S. based PPA partners face-to-face to compare and discuss the overall plan. The alliance activities review and planning meeting scheduled in January 2004 will review and finalize the activities for the period thereafter.

**Table 1: Activities Plan Year 2004**

Activities	Expected outputs/results	When	Responsibility		Remarks
			Primary	Support	
Objective 1: Promote Community Based Forest Enterprises to ensure sustainable use of NTFP, alleviate poverty in rural areas, and consolidate Forest User Groups' supplies to make attractive to buyers					
1.a Alliance activities review and planning meeting and work plan finalization	Alliance progress in 2003 reviewed and activities for 2004 finalized; work plan finalized	Jan	ANSAB	All alliance members	
1.b Selection and prioritization of FUGs/CBFEs	FUGs, CBFEs, and entrepreneurs selected for the project activities	Feb	FECOFUN	ANSAB, DFOs, NSCFP, HBTL, GAC	Selection of CBFEs may take place in other months if new opportunities identified
1.c NTFP marketing network development and enterprise promotion	Six workshops organized; four networks developed, linkages between CBFEs and FUGs promoted; and enterprise promotion materials prepared	Jan-Sep	ANSAB	All alliance members	4 networks include those initiated in year 1.
1.d Market information support	NTFP trade database developed; and NTFP trade information disseminated to FUGs and CBFEs	Jan-Sep	ANSAB	FECOFUN, HBTL, GAC	MIS information collected and disseminated every month
1.e Enterprise and management training	Four trainings on enterprise and management provided	Mar-Aug	ANSAB	GAC, HBTL	Training topics to be decided after discussion with CBFEs
1.f Monitoring and evaluation and impact tracking	Monitoring data collected, analyzed, and shared	May-Jul	ANSAB, FECOFUN	All alliance members	
1.g Alliance coordination	Alliance members kept informed and involved	Ongoing	ANSAB	All alliance members	Sharing meetings will be held every three months
1.g Alliance vision	Document on alliance vision complete	1st draft: Feb Copy: Apr Final: Jun	ANSAB	All alliance members, Aveda help with 'copy'	
1.g Marketing group	Focal point for marketing "how to" in Nepal established	Ongoing (Formation by Feb)	HBTL	FECOFUN, AHI, HBTL, GAC, ANSAB, Aveda, RA, Ann	Ann draft a ToR
1.g Sustaining certification	Select data collected to be used in year three analysis	Feb-Sep	ANSAB	All alliance members	
1.h Documentation of best practices and lessons learned	Best practices and lessons learned documented and shared	Aug-Sep	ANSAB	All alliance members	
1. i Village trust	Two case studies documented	Aug	ANSAB	GAC, HBTL	

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<b>Objective 2: Implement certification model for Nepal that takes into account of its NTFP and forest user group (FUG) resources and encourages good governance of community resources</b>					
2.a Information collection and documentation on NTFP certification	Information on certification issues and impacts collected and shared	Oct-Sep	ANSAB	RA	
2.b Requirement analysis and development of system for group certification	Certification requirements identified and analyzed; and an appropriate group certification system developed	Oct-Nov, Jan-Apr	ANSAB, FECOFUN	RA	
2.c International training on certification	Capacity of FECOFUN and ANSAB on certification strengthened	Mar-May	ANSAB	RA	Depends on availability of suitable course or visit to a suitable certified operation
2.d Institutional development and organizational support to FECOFUN	Capacity of FECOFUN on NTFP certification strengthened	Nov-Sep	ANSAB	FECOFUN	Support provided to FECOFUN to carry on pilot certification activities, specially social mobilization and monitoring part
2.e FUG capacity building and improvement of operational plans	Capacity of 10 FUGs on forest management, NTFP certification, and enterprise development and marketing strengthened	Oct-Sep	FECOFUN, ANSAB	ANSAB	Social mobilization by FECOFUN, technical aspects by ANSAB
2.f Install a pilot certification system in Nepal	A pilot certification field assessment complete and FECOFUN will be certified as a group certificate holder for FUGs.	Oct-Sep (Assessment: Aug-Sep)	ANSAB	FECOFUN	Field assessment will take place towards the end of the year
2.g Certification trainings/workshops	Four NTFP certification trainings/workshops organized in the districts; one assessors' training organized; one certification training for facilitators organized	Nov-Jul	FECOFUN	ANSAB, HJSS, RA	
2.h Publication on NTFP certification initiatives in Nepal	One article on certification published	Aug-Sep	ANSAB	All alliance members	
2. i Exposure visits	Two visits for 15 each organized	Mar - Apr	FECOFUN	ANSAB, HJSS	Contingent on security situation
<b>Objective 3: Improve and maintain quality and consistency of Nepali NTFPs</b>					
3.a Training to farmers, FUGs, and CBFs on NTFP	Four trainings on NTFP cultivation, harvesting, processing and marketing	Feb-Jul	ANSAB	HBTL, GAC	

**Certification and Sustainable Marketing of Non-timber Forest Products (NTFPs) – Public Private Alliance**

cultivation, harvesting, processing, and marketing	organized				
3.b Technical support to CBFs on GMP	Requirements and processes for GMP identified; and the capacity of GAC on GMP strengthened	Mar-Aug	GAC	HBTL, ANSAB	Targeted to GAC and other national level CBFs
3.c Promotion of certification program with NTFP industry	NTFPs stakeholders made aware of NTFP certification	Ongoing	FECOFUN	All alliance members	
3.d Product certification	Awareness on CoC raised and a training on CoC organized	Ongoing (Training: Sept)	HBTL, GAC, FECOFUN		Preparatory work for CoC will be done this year for select companies
3.e Coordination for quality testing facilities in Nepal	Need for quality testing and assurance facilities highlighted and initiatives taken to avail the facilities in Nepal	Ongoing	ANSAB	HBTL, GAC, FECOFUN, Ann	Not budgeted from PPA for infrastructure/facilities Linkage with Rutgers (testing, training)
<b>Objective 4: Gain better market position for Nepali NTFP in international markets; including exploration of certification options and design coordination with buyers</b>					
4.a Product selection and product design option exploration	Potential products and design options identified and updated	Feb-Sep	ANSAB	HBTL, GAC	
4.b Product design and product development	Product design options analyzed; research on product design and product development undertaken; new product designs/products developed	Oct-Sep	Paper & essential oil (HBTL) Tea (GAC) ANSAB	Aveda, AHPA	
4.b Value added for four products	Value added analysis reports	Paper: Apr Oils: Jul Tea: Apr	ANSAB	GAC for herbal tea, HBTL for others	For Lokta two essential oils and herbal teas
4.b Product costing	Costing for paper, herbal teas, essential oils	Mar	HBTL, GAC	ANSAB, Aveda, RA	Includes shipping, customs, other....
4.c Training on product development and marketing to CBFs	Two trainings on product development and marketing provided to CBFs	Mar-Aug	ANSAB	Essential oil (Aveda) Paper (RA) Ayurvedic products (AHPA)	
4.d Product development and marketing study visit for PPA alliance members	Market for Nepali NTFPs explored; and linkages with Indian NTFP manufacturers and buyers established.	Apr-May	ANSAB	HBTL, GAC	

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4.e International market assessment and linkage development (Assessment)	International market assessment for Nepali handmade paper undertaken; a list of potential buyers and their requirements identified	Mar-Apr	ANSAB	RA, Ann	Lokta handmade paper
4.e. International market assessment and linkage development (Linkages)	Linkages between Nepali CBFs and international buyers promoted	Ongoing	ANSAB	RA, Ann	
4.f Nepali NTFP promotion (Trade visit)	Two CBFs participate in the international trade expos/shows in the US, Nepali NTFPs promoted in international market	Mar-Sep	ANSAB	HBTL, GAC, Ann	buyer/seller meetings (2-4 alliance members)
4.f Product image	Set of stories and PR materials	Feb-Sep	ANSAB	Aveda, RA, Nepali companies	
4.f Product positioning	Three to four products profiled	Feb-Sep	ANSAB	Aveda, RA, Ann, Nepali companies	Integrated with other marketing activities
<b>Objective 5: Educate NTFP buyers on how to support Nepal NTFP industry to achieve sustainable long-term supplies of quality products</b>					
5.a Promotion of Nepali NTFPs and certification initiatives in NTFP industry abroad	Potential of Nepali NTFPs and NTFP certification in Nepal shared with NTFP industry abroad	Ongoing	Ann, David/Aveda	RA, ANSAB	
5.b Industry leadership conference in the US	One industry leadership conference of natural product companies in the US attended and issues of Nepali NTFP and CBFs shared	Sep-Oct	Aveda	ANSAB, Ann	Conference date and venue to be decided
5.c Documentation and dissemination of NTFP related issues	NTFP related issues documented and shared among alliance members and key stakeholders of NTFP sector	Ongoing	ANSAB	All alliance members	
<b>Objective 6: Lobby for an enabling policy environment for free and fair trade practices</b>					
6.a Review and analyze NTFP policy	Contributions to a national policy workshop; a NTFP policy study (CF guideline) and three policy analysis and sharing meetings organized	Ongoing (Workshop: Feb Review: Jan-Jul)	ANSAB	HNTFPCC, HJSS, FECOFUN	
6.b Organize forums for policy advocacy	NTFP policy recommendations provided to the policy makers; policy design and implementation issues shared among key NTFP stakeholders	Ongoing	ANSAB	All members	

**Objective 1: Promote Community Based Forest Enterprises to ensure sustainable use of NTFP, alleviate poverty in rural areas, and consolidate Forest User Groups' supplies to make attractive to buyers**

The project in its first year brought together alliance members and key stakeholders of NTFPs to promote sustainable management of NTFPs and community based forest enterprises. Apart from alliance building, many of the activities planned for enterprise promotion, certification initiatives, product design and development, NTFP marketing, and policy improvement have been completed successfully. The first year work has laid a good foundation to launch the alliance activities to achieve the alliance objectives. Building on the last year's accomplishment and experience, this year's activities have been planned. The activities planned under this objective are as follows.

**a) Alliance activities review and planning meeting and work plan finalization:**

Nepali alliance members reviewed the last year's performance and contributed their ideas to develop the draft work plan. To review the performance of the alliance last year and plan next year activities, alliance activities review and planning meeting was scheduled in January 2004, which was held on January 9-10, 2004. The meeting reviewed the draft work plan and finalized the alliance activities for year 2004. The Table below provides an outline of activities that were planned leading up to the alliance planning meeting and finalization of the work plan.

**First Quarter Activities for Nepal PPA Alliance Leading up to the Full Alliance Planning Meeting and Finalization of Work Plan**

Month	Activities
October 2003	U.S. based alliance partners meet to discuss industry leadership and organize industry leadership conference
October 2003	Meeting of Nepali alliance members to develop a draft work plan
October 2003	Preparation of a draft work plan and submission to USAID
November-December 2003	USAID comments on the draft work plan and final work plan preparation for USAID Date finalized for alliance meeting to be held in Nepal; agenda drafted for year two alliance meeting; data and information packets assembled for meeting and distributed
January 2, 2004	Nepali alliance members meeting in Kathmandu to review the alliance activities, discuss on the work plan, and preparation for the alliance activities review and planning meeting
January 9-10, 2004	Alliance activities review and planning meeting in Kathmandu and finalization of draft work plan
January 31, 2004	Preparation of final work plan incorporating the alliance meeting inputs and submission to USAID

- **Results/outputs anticipated.** A work plan for year two developed; alliance planning meeting held and alliance members networking strengthened; issues

related to NTFP certification, enterprise development, and NTFP marketing identified and discussed among alliance members; and alliance activities for 2004 finalized and implementation arrangement made.

**b) Selection and prioritization of FUGs and CBFEs:**

The project has selected Bajhang and Dolakha for pilot certification initiatives. FUGs and CBFEs likely to be involved in this pilot initiative have also been identified in these two districts. However, as the program unfolds further, the FUGs and CBFEs to be involved in pilot activities will be selected for and involved in the certification and enterprise promotion and marketing activities. While the groups have been identified for the pilot certification initiatives and these activities are moving forward, apart from these two districts, the project will try to incorporate as many FUGs, CBFEs, and entrepreneurs as possible to benefit from enterprise development and marketing work as well as the learning coming out of the certification training. The selection criteria developed by the alliance member in year 1 will be the basis for the selection of FUGs and enterprises. Various meetings and discussions with relevant alliance members will be held in Kathmandu as well as in the districts to identify and select FUGs, CBFEs, and entrepreneurs to be involved in this project. The selection of FUGs and CBFEs in the pilot districts will be done in February 2004.

- **Results/outputs anticipated.** FUGs, CBFEs, and entrepreneurs selected for the project activities.

**c) NTFPs marketing network development and enterprise promotion:**

After selection and prioritization, workshops with these FUGs will be organized and technical support will be extended to establish networking among FUGs, CBFEs, and entrepreneurs for consolidation of their NTFP supplies and marketing of their products. In these workshops, other stakeholders like District Forest Office (DFO), District Development Committee (DDC), Village Development Committee (VDC), and CBFEs will also be invited. Once the products to be promoted are finalized, product-wise networks will be developed to enhance the marketing efforts of FUGs. FECOFUN and its district branches will be involved in establishing FUG networks. Inputs from Aveda, the Herbal Product Association, Rainforest Alliance, HBTL, GAC, and other enterprises will be used to help prioritize products and advise FUGs and CBFEs on quality and other requirements for marketing of the products.

As FECOFUN plays a crucial role in sustainable management of NTFPs, promotion of enterprises, and networking for NTFPs marketing, a regional workshop on FECOFUN network development and NTFP promotion will be organized in Nepalgunj for the district branches of FECOFUN from mid-western and far-western regions. The FUGs in the regions have common agenda to deal with and the need was prioritized by FECOFUN for strengthening the network of the FUGs which is comparatively weak in the area. The workshop will be held in May-July 2004.

To ensure sustainable supply of NTFPs in consistent quality to community based forest enterprises, linkages between CBFEs and FUGs will be promoted. A network of FUGs and FECOFUN district branches will also play a critical role in establishing linkages between resources supplying FUGs and CBFEs. Promotional materials and trade promotional activities like trade fair and market study visits will be planned to promote enterprises and their products. In addition, enterprise planning and



development support will be extended to CBFs and potential entrepreneurs in the districts. These activities will be done from January 2003 through September 2004.

- **Results/outputs anticipated.** Six workshops organized for an average of 15 participants each; 4 networks (including those initiated in year 1) of FUGs/CBFs dealing in NTFP trade established and strengthened; linkages between CBFs and FUGs promoted; and enterprise promotion materials prepared and promotional activities organized.

**d) Market information support:**

ANSAB has been maintaining a marketing information support system in NTFP sector in Nepal. It has been providing price, technology, quality, and buyers contact information to various development organizations, NNN members, FECOFUN, and through its local partners to district based traders and development organizations, FUGs and NTFP collectors. ANSAB will continue its market information support activities to these stakeholders and will also extend this support to the CBFs and FUGs involved in this project. For MIS activities, ANSAB will try to leverage funds.

To improve the efficiency and effectiveness of dissemination and help achieve product identity preservation and its associated benefits for poor rural communities, environmental protection and the industry, a proposal is being worked out in collaboration with USAID Development Information Services and Academy for Educational Development (AED). The idea is to incorporate selected information and communication technologies with ongoing community development, resource management, and NTFP enterprise development efforts to support data collection, tracking, and verification that achieve product identity preservation.

In addition, the project plans to undertake an NTFP trade survey in Nepal which will provide NTFP trade information (volume and price of major traded species) by district which will be collected from the documented sources of 75 district forest offices in the country. The information will be collected for at least one year, but attempts will be made to collect it for the past three years. An NTFP trade database will be developed and maintained at central level to manage the trade information. This information will be useful for CBFs and entrepreneurs to plan their enterprise operations and marketing activities. The information generated from the survey will also be useful for policy makers to devise an appropriate policy framework and guidelines to promote NTFP enterprises and free and fair trade of NTFPs in Nepal. The project will coordinate alliance members including the network of Ministry of Forests and Soil Conservation for collection of NTFPs trade data from the field.

- **Results/outputs anticipated.** Regular NTFPs market information provided to FUGs and CBFs; NTFP trade survey undertaken; NTFP trade database developed; and NTFP trade information disseminated to CBFs.

**e) Enterprise and management trainings:**

Community based forest enterprises need improvement in their enterprise management to become competent in NTFP business. Their technology needs to be upgraded to fulfill the market demand. Enterprise development and management, operations management and productivity enhancement, accounting system and financial management are some of the areas where they need support from the project to improve their business processes and independently manage their marketing activities. The project will provide CBFEs with training in these areas. Entrepreneurship, enterprise development and business planning, marketing, enterprise management, operations management and efficiency enhancement, accounting and financial management are some of the potential training topics. The four trainings are planned for March-August 2004.

- **Results/outputs anticipated.** Four trainings on enterprise and management provided to a total of 40 participants. The training topics will be discussed with CBFEs.

**f) Monitoring and evaluation plan and impact tracking:**

A project monitoring system has been designed and baseline information has already been collected from the two project districts. As per the monitoring and evaluation plan, the baseline data has been collected as of December 2002. The yearly project monitoring data which reflect the changes in the key indicators over the year will be collected in May - June 2004. The monitoring data will be analyzed and shared with the alliance members in June-July 2004.

- **Results/outputs anticipated.** Project monitoring data collected, analyzed, and shared among the alliance members.

**g) Alliance coordination:**

ANSAB will implement this project in collaboration and cooperation with other alliance members and stakeholders. Unlike other types of project, this project requires a great deal of effort in alliance coordination because various types of stakeholders are involved in the project. Alliance coordination includes all the coordinating and administrative activities required to successfully implement the project. ANSAB takes this responsibility of bringing all alliance members together for the common purpose of promoting Nepal's NTFPs. Alliance coordination is an ongoing activity. However, sharing meetings among the alliance members will be held every three months (January, April, July, and September).

ANSAB has already established Memorandum of Understanding (MOU) with many of the alliance members. Considering the project goals and the guidelines of the GDA, the alliance may expand and working arrangement or MOUs with new members will be established as needed. ANSAB will arrange meetings, workshops, visits or study tours and keep alliance members informed and involved in the related project activities.

Alliance vision: As the alliance extends well beyond the project period, the alliance members decided in the alliance activities review and planning meeting to have a written vision statement for the alliance. All members of the alliance will contribute to developing a common vision statement. First draft vision statement will be developed by February and a final copy will be prepared in June for which Aveda will extend its media and copy writing expertise.

Marketing group: To better coordinate international promotion and marketing of Nepali NTFPs, a marketing group will be established. The group will serve as a focal point for all the international marketing efforts of the project. The group is comprised of representation from FECOFUN, Alternative Herbal Industries (AHI), GAC, HBTL, ANSAB, Aveda, RA, and Ann Koontz. Formation and TOR of the group will be complete by February. The marketing group activities will be ongoing.

Sustaining certification: Sustainability of forest certification is one of the important issues of the alliance initiatives. For this purpose, the alliance has decided to explore the possibilities of establishing FSC national standards and identification of appropriate mechanisms for sustaining the certification initiatives in Nepal. This year, the alliance will collect select data which will be analyzed in year three. Rainforest Alliance will take a lead in exploring and analyzing the possibility of establishing FSC national standards in Nepal. This group of activities will be done from February to September 2004.

- **Results/outputs anticipated.** Alliance members kept informed and involved in the related project activities; alliance vision statement prepared; marketing group established and active in coordinating international marketing efforts; and select data for analyzing FSC national standards collected. Meeting, workshop, and visits organized.

**h) Documentation of best practices and lessons learned:**

As the project is venturing a new initiative in Nepal and the idea of public private alliance is not common in forestry sector in the country, the project expects to come across new learning from implementation of the alliance activities which may be of great interest to many of the NTFP stakeholders in the country and abroad. Though the project had planned to document best practices and lessons learned in the first year, it was realized that it was too early to come up with a written document on best practices and lessons learned for a wider audience. In year two, the project plans to document best practices and lessons learned in the areas of NTFP management, community based enterprise development, product development, and international marketing to share the learning with wider audience. All the alliance members will take part in documenting best practices and learning related to their areas of expertise. This activity is planned in August 2004 and September 2004.

- **Results/outputs anticipated.** Best practices and lessons learned documented and shared among alliance members and with wider audience.

i) **Village trust:**

During the alliance activities review and planning meeting, the alliance discussed on benefit sharing mechanisms along the value chain of NTFP business. As the project goal is to increase the incomes and employment of local communities, it was realized that the project has to look into how and to what extent the communities are receiving benefits from NTFP marketing and enterprise development. The alliance has identified this as a new activity so that it can make a study on benefit sharing mechanisms and document it as a case study. If the existing benefit mechanism systems are not good enough, the alliance will explore possibility of setting up an appropriate mechanism whereby the villagers receive fair share of benefits out of the NTFP business promoted by the alliance. This activity will be done in August 2004.

- **Results/outputs anticipated.** Two case studies documented.

**Objective 2: Implement certification model for Nepal that takes into account its NTFP and forest user group (FUG) resources and encourages good governance of community resources**

The project with its NTFP certification initiative intends to establish recognition for NTFPs of Nepal and thus aims to increase incomes and employments to the local communities. The project recognizes the certification initiative combined with marketing efforts of alliance members as a potential tool to create market based incentives for sustainable harvesting and use of NTFPs. During the project period, the alliance will pilot a certification system in two select districts so as to see whether it is feasible and provides intended benefits to conservation and promotion of NTFPs in a sustainable way. Following activities are planned for implementation of a pilot certification initiative in Nepal.

a) **Information collection and documentation on NTFP certification:**

The project has collected a lot of information related to forest and NTFPs certification in its first year of operation. However, the NTFP certification being a new initiative in Nepal, there is still some information gap on some aspects. The project will keep on collecting, documenting, and sharing information about forest and NTFP certification experiences and guidelines, format and examples for group certification, which will be utilized in developing an appropriate certification system for Nepal. Information collection and documentation will be done from October to September 2004.

- **Results/outputs anticipated.** Information on forest and NTFP certification including certification issues and impacts collected and shared.

b) **Requirement analysis and development of system for group certification:**

The project initiated requirement analysis for NTFP certification in Nepal from the very beginning of the project and continued during the various activities of the alliance including the visits of Rainforest Alliance, NTFP certification workshops and training, and Latin America visit. From the analysis, a group certification system has been identified as a most appropriate option and FECOFUN has been identified as a certificate holder. Further analysis and preparatory activities are needed to develop an appropriate system for group certification in Nepal. The group certification system will be developed in light of the insights gained and issues studied in Latin America and information and inputs collected from business communities, NTFP producers, alliance members, and document analysis. Rainforest Alliance will take the lead in this activity. Workshops, meetings, studies, and field visits will be organized. This activity will be done in October-November 2003 and January-April 2004.

- **Results/outputs anticipated.** Certification requirements identified and analyzed; and an appropriate group certification system developed. Workshops, meetings, studies, and field visits organized as required.

c) **International training on certification:**

From the analysis of the certification issues and contextual factors in Nepal, FECOFUN has been selected as a group certificate holder for the pilot NTFP certification initiative. To fulfill this responsibility, FECOFUN needs to know all the key issues as well as best practices related to group certification. ANSAB, as the alliance coordination organization, needs to facilitate the development and installation of a certification system in Nepal. Hence, their capacity for implementing and monitoring certification related activities needs to be strengthened. For this purpose, an international training on certification will take place sometime between March and May 2004. The certification training need was discussed during the alliance activities review and planning meeting, and the Rainforest Alliance suggests that the primary target for a training be aimed at a representative from FECOFUN and ANSAB traveling to a current FSC certified group's forest management area to examine the group's certification and forest management systems.

- **Results/outputs anticipated.** Certification training participated by one participant each from FECOFUN and ANSAB; and capacity of FECOFUN and ANSAB on certification strengthened.

d) **Institutional development and organizational support to FECOFUN:**

For the pilot NTFP certification initiatives, FECOFUN has been selected to lead the certification process as the group certification holder. The selected forest user groups in the districts of Bajhang and Dolakha will be represented, guided, and monitored by FECOFUN for NTFP certification. To make FECOFUN's role more effective towards this new initiative, institutional development and organizational support will be extended. Rainforest Alliance will make an assessment to identify the areas where FECOFUN needs to develop their systems and strengthen their capacity to handle the certification activities. The institutional development and organization support through training, consultation and backstopping, particularly in developing group

certification policy, establishing monitoring mechanism and processes will be provided to FECOFUN from November 2003 through September 2004.

- **Results/outputs anticipated.** Capacity of FECOFUN on NTFP certification strengthened; FUGs involved in certification supported in developing forest management operational plans and their forest management activities monitored; and certification initiatives coordinated.

**e) FUG capacity building and improvement of operational plans**

Confirming the criteria for forest and NTFP certification is the apex stage in forest and NTFP management. The selected FUGs from the pilot districts still have to work a lot to improve their forest management operational plans and build their capacity to manage and monitor their management activities to be qualified for NTFP certification. As the cost of certification is also a burning issue, they need to be enterprising to be able to gain from certification and marketing of their NTFPs. To help these FUGs strengthen their capacity in forest management, entrepreneurship development and NTFP marketing. They also need support to improve their operational plans in line with the certification principle and criteria, the project will provide them forest management training, technical assistance and backstopping support in developing the operational plans and organizational systems. To support the FUGs and CBFs in the districts, the project plans to put one staff in each of the two pilot districts from year two. The activities related to FUG capacity building and improvement of operational plans will be done from October 2003 through September 2004.

- **Results/outputs anticipated.** Capacity of 10 FUGs on forest management, NTFP certification, and enterprise development and marketing strengthened.

**f) Install a pilot certification system in Nepal:**

A pilot certification assessment of FECOFUN for selected FUGs in Bajhang and Dolakha will be implemented. Rainforest Alliance will extend its expertise in providing for the assessment and development of a certification model in Nepal. As a preparatory work, assessors training, development of system for group certification, institutional development and organizational support to FECOFUN for certification, FUGs capacity building and improvement of operational plans will be done. The assessment fieldwork will be done in August and certification finalized in September 2004. Preparatory training and institutional support for FECOFUN and FUGs will be accomplished between February and September 2004.

- **Results/outputs anticipated.** FECOFUN will be certified as a group certificate holder for FUGs. Capacity of FUGs and FECOFUN towards sustainable forest management and certification systems will be strengthened.

**g) Certification trainings/workshops:**

In year one, some trainings and workshops were organized to clarify issues and processes and build the capacity of stakeholders in NTFP certification. The

workshops and trainings organized last year were not enough to clarify all the issues on certification and to develop an appropriate system for NTFP certification. Many of the stakeholders, especially those from the districts, need more training and exposure on NTFP certification. The project plans some more training and workshops on NTFP certification from November 2003 to July 2004 to clarify issues and process of certification system and develop and install a pilot NTFP certification system in Nepal.

An assessor training on forest and NTFP certification is planned in November in Kathmandu which will be designed and facilitated by Rainforest Alliance. The training has been planned for the potential certification assessors and the key stakeholders who are involved in facilitating the certification initiatives in Nepal. In addition, a forest certification training is planned for mid-level forestry professionals (community forestry facilitators). The training will be provided to select DFO staff, FECOFUN district representatives, and ANSAB field facilitators, who, in turn, will extend forest certification and community forest management expertise at the FUG level. This training is planned for February 2004.

- **Results/outputs anticipated.** Four NTFP certification trainings/workshops for a total of 60 participants organized in the districts; one assessors' training for 35 participants, and one forest certification training for 20 participants organized.

**h) Publication on NTFP certification initiatives in Nepal:**

As in the last year, the project plans to publish one article on NTFP certification initiatives in Nepal. The articles will be published in Himalayan Bioresources or other publications with wider circulation to share the initiatives among a large audience. This activity will be done sometime in August-September 2004.

- **Results/outputs anticipated.** One article on certification published.

i) **Exposure visits:**

To provide an opportunity to forest user groups and CBFs to learn from each other in the areas of community forest management and enterprise development, two exposure visits are planned. The participants will be from the selected FUGs and CBFs identified for the alliance certification and enterprise development activities. The participants will visit exemplary forest user groups and community based forest enterprises in Nepal. This activity will be coordinated by FECOFUN and will be organized between March and April 2004.

- **Results/outputs anticipated.** Two exposure visits for 15 participants each organized certification published.

**OBJECTIVE 3: IMPROVE AND MAINTAIN QUALITY AND CONSISTENCY OF NEPALI NTFPS**

Inconsistent product quality is one of the main constraints to the promotion of Nepali NTFPs market, especially in international market. Lack of standardized process and practices in NTFP cultivation, harvesting, cleaning, drying, processing, grading, storage, and packaging all contribute to inconsistent NTFP that includes undesirable variations in terms of type, grade, shape, color, as well as time and volume. To overcome this problem in NTFP marketing, the project plans to provide training to FUGs and CBFs on product quality issue and promote NTFP certification in NTFP industry in Nepal. The following activities are planned under this objective.

a) **Training to farmers, FUGs, and CBFs on NTFP cultivation, harvesting, processing, and marketing:**

Select NTFP farmers, FUGs and CBFs will be sensitized on product demand and the quality requirement of NTFP buyers. They will be provided training on which factors contribute to inconsistency of product quality. In addition, they will be educated on how to harvest, clean, dry, process, grade, package, store, and handle NTFPs to achieve consistent quality of their product. These trainings to FUGs and CBFs will be organized in February to July 2004.

In addition, the farmers and FUGs interested to cultivate the NTFPs required by CBFs, especially those CBFs who are interested in building a long term relationship with growers and provide a buy back guarantee will be provided training on NTFP cultivation, harvesting, and post harvest techniques. GAC will play a crucial role in identifying the species and providing technical inputs in cultivation related training.

- **Results/outputs anticipated.** Four trainings on NTFP cultivation, harvesting, processing, and marketing organized for a total of 60 participants.

b) **Technical support to CBFs on Good Manufacturing Practices (GMP):**



To become effective in international marketing, Nepali CBFs, especially GAC, have shown interest in initiating the process for Good Manufacturing Practices as some of the international buyers demanded them to confirm with the GMP criteria. Good harvesting practices and NTFP certification are also linked with the GMP process. As per the interest of the alliance member companies, the project plans to support the interested alliance companies to initiate this process. The project will facilitate the companies to access the technical expertise in this area. The option like accessing the volunteer services from retired experts in developed country will also be sought to minimize the cost of the process. This technical support related to GMP will be provided from March through August 2004.

- **Results/outputs anticipated.** Requirements and processes for GMP identified; and the capacity of GAC on GMP strengthened.

**c) Promotion of certification program with NTFP industry:**

Promotion of certification program is contingent on the success in establishing certification initiatives in Nepal. By participating in and presenting the certification initiatives undertaken by the project to various forums organized by government, relevant projects, and NGOs and through the project organized training and workshops, the certification program will be promoted among NTFP stakeholders. This is an ongoing activity. Hands-on training and technical assistance to improve their management plans, and training and workshops planned under other activities will also promote certification agenda among the participants. In addition, alliance members will participate in discussion forums for mass media such as radio and newspaper. As the needs for certification promotion become clearer, the project aims at developing a plan for promotional activities of larger scale which will be proposed for year 3 work plan.

- **Results/outputs anticipated.** NTFPs stakeholders made aware of NTFP certification; and certification initiatives discussed with the selected FUGs and CBFs.

**d) Product certification:**

Piloting of forest and NTFP certification has been identified as one of the major activities of the project. The activities identified under the objective 2 will lead to installation of certification system. The project will raise awareness on the importance and requirements for Chain of Custody (CoC) certification among the enterprises dealing in NTFPs. The FUGs and enterprises will be provided a Chain of Custody certification training. The CoC training will be organized in September 2004. When the FUGs and enterprises become ready for chain of custody certification, the project will support these pioneering groups and enterprises in the certification process by providing technical assistance, paying certification fees, and logistic and infrastructure support under the pilot program. The Chain of Custody certification assessment (product certification) will take place in year 3.

- **Results/outputs anticipated.** Awareness on CoC certification raised, a training on CoC organized.

e) **Coordination for quality testing facilities in Nepal**

One of the major bottlenecks in assuring quality of NTFPs is the lack of adequate and appropriate facilities for quality testing in Nepal. The alliance has raised this issue in various NTFP promotion forums. This year, the alliance intends to promote this agenda and plans to coordinate with the key NTFP stakeholders and donors for availing adequate and appropriate quality testing and assurance facilities in Nepal. The alliance will promote this agenda and discuss with other projects and organizations so that the facility can be improved/expanded with other sources of funds. Initial discussion has been held with Rutgers University for their design support to improve or establish quality testing facilities for essential oils. Similarly, in the new business development services (BDS) market development project funded by USAID Nepal and to be implemented by IDE, ANSAB, Winrock, WWF, and Lotus Opportunities, a component on quality testing facilities has also been included. This is an ongoing activity.

- **Results/outputs anticipated.** Need for quality testing and assurance facilities highlighted and initiatives taken to avail the facilities in Nepal.

**OBJECTIVE 4: GAIN BETTER MARKET POSITION FOR NEPALI NTFPS IN INTERNATIONAL MARKETS; INCLUDING EXPLORATION OF CERTIFICATION OPTIONS AND DESIGN COORDINATION WITH BUYERS**

One of the main objectives of this project is to promote Nepali NTFPs in international markets to gain better market and hence generate increased incomes and employments. Under this objective, the project will initiate product development activities in collaboration with alliance members and buyers in the West and utilize the certification system and facilities in attracting international buyers. Some product design exploration and product development activities have been initiated from last year. The project will continue the already initiated activities and undertake some additional research on product design and product development, new product introduction and commercial production, trade linkage establishment between CBFs and international buyers, and Nepal NTFP promotion in international markets this year. Aveda, a leading natural product company in the US, will be assisting the project and Nepali CBFs in achieving this objective.

a) **Product selection and product design option exploration:**

Product selection criteria have been developed and some potential products have been selected by the alliance members last year. If the alliance gets new knowledge on market demand and feels appropriate, new products meeting the criteria will be added on this list. For the product design option exploration, the project will get inputs from

FUGs, CBFs, traders, international buyers, alliance members, development organizations, and government agencies. Product selection and product design option exploration activity will be done from February to September 2004.

- **Results/outputs anticipated.** Potential products and design options identified and updated.

**b) Product design and product development:**

Under product design and development work, the alliance companies and other CBFs will develop new products, new design, or refine the existing products to meet the market requirements. The alliance will support CBFs in identifying new product designs and new product lines and undertaking product development work. The project will keep supporting the product design and development work that is ongoing with the inputs from Aveda and other business partners. In addition, following activities will be undertaken to promote product design and development.

Action research grant: As it was initiated last year, the action research grants will be extended to undertake product design and development work so that value addition to NTFPs can be made profitably. The project will call for research proposals from alliance members, CBFs, FUGs, product design related service providers and development organizations. Based on the criteria developed by the alliance members last year, the project will select winning proposals. If not many satisfactory concepts received, the project requests alliance members and other appropriate institutions to undertake the product development research. The research and other activities on product design and development will be done from October 2003 through September 2004.

Value added analysis: To support NTFP business development and better manage marketing efforts, value added analysis will be done for four products. The analysis will uncover the value adding steps and processes on product value chain and it will provide insights to CBFs in identifying further value addition opportunities. The products identified for value added analysis are handmade papers, essential oils, and herbal tea. The analysis will be done in April-July 2004.

Product costing: For developing pricing strategies, especially for international marketing, product costing will be done for handmade papers, essential oils, and herbal teas. The costing will be done for different varieties of products, different sizes of shipments, and different delivery methods. Based on the cost structure, CBFs will develop pricing strategies for their clients. This activity will be done in March 2004.

- **Results/outputs anticipated.** Product design options analyzed; research on product design and product development undertaken; and new product designs/products developed; value added analysis reports for 4 products prepared; product costing done for 3 product categories.

**c) Training on product development and marketing to CBFs:**

To be competitive in market, CBFs are required to learn product development and marketing knowledge, skills and techniques. Two trainings on new product development and marketing are planned in March to August 2004. The alliance member companies and community enterprises in the districts will be provided with product development and marketing training this year.

- **Results/outputs anticipated.** Two trainings for 20 participants on product development and marketing provided to CBFs.

d) **Product development and marketing study visit for PPA alliance members:**

Product development and marketing study visit to India is planned for CBFs and the alliance members sometime in April to May 2004 to get insights and deeper knowledge and understanding on product development and NTFP marketing. The study visit will also provide an excellent opportunity to CBFs to develop marketing linkages with Indian manufacturing companies and NTFP buyers. HBTL, GAC, ANSAB, and FECOFUN will participate in the product development and marketing study visit.

- **Results/outputs anticipated.** One product development and marketing study visit organized; NTFP product development techniques identified; market for Nepali NTFPs explored; and linkages with Indian NTFP manufacturers and buyers established.

e) **International market assessment and linkage development:**

To identify the potential buyers for Nepali handmade paper products and promote a linkage between Nepali CBFs and international buyers, an international market assessment and promotional activity in the US and European market is proposed in year two. The assessment will make a quick survey on international markets and identify potential buyers and products they are interested in, their requirements, pricing structure, product delivery and payment mechanisms, etc. Based on the information from the market assessment, the project will assist Nepali CBFs to devise marketing strategies for the target markets. The market assessment will be undertaken sometime in March to April 2004.

Establishing linkages between Nepali NTFP producers (CBFs) and international buyers is an ongoing activity that has been already initiated last year. The market assessment result will provide information on international buyers. The project will support Nepali CBFs to access the identified potential buyers and promote their business linkages. Aveda and the Herbal Products Association in the US will be consulted to get a list of businesses in the US dealing with or interested in the products that are found in Nepal. Their requirements will be collected and CBFs capable of dealing with these products will be assisted in fulfilling the demand. Himalayan Bio-Trade and Gorkha Ayurved Company are identified so far and other potential CBFs will be explored. The potential CBFs will be supported in preparing their promotional materials, shipping samples, and communicating with international buyers. The other activities like participation of CBFs in trade expo, visiting potential buyers at their premises, and other promotional activities planned under other objectives will also reinforce this business relationship building and strengthening.

- **Results/outputs anticipated.** International market assessment for Nepali handmade paper; a list of potential buyers and their requirements identified; and linkages between Nepali CBFs and international buyers promoted.

f) **Nepali NTFP promotion:**

Trade visit: The main target of the promotion campaign will be in the US markets. In year two, a trade visit to the US will be organized where CBF promoters and management will participate in trade shows, expos, and international buyers' offices to promote Nepali products. Nepali CBFs will also be supported to put a stall in international expo/trade shows, which can give much exposure to the CBFs and Nepali NTFPs in international arena. Mr. Parbat Gurung from HBTL and Mr. Prem Tiwari from GAC will represent Nepali NTFP industry in the trade visit to the US and promote Nepali NTFPs in the US market by participating one of the trade shows or expos and visiting the US buyers' offices there sometime in March to September 2004. Ms. Ann Koontz will support them from the US.

Product image: Realizing the need of promoting Nepali NTFPs image in the international markets, the alliance has identified a new activity for this year. This activity intends to develop a unique product image for Nepali NTFPs in international

arena. Under this activity, a set of stories and public relation (PR) materials will be prepared. These stories and PR materials will highlight the quality aspect of Nepali NTFPs, conservation efforts put by the communities, and socio-cultural aspects of NTFPs. These materials will serve as promotional tools and can go along with Nepali NTFPs. This activity will be done from February to September 2004.

Product positioning: While efforts are made to develop an image for Nepali NTFPs as a whole, positioning of individual products will also be done to facilitate business transaction of selected products. For this purpose, three to four products will be profiled. The product positioning activities will be integrated with the other marketing activities of the alliance. The activities for product positioning will be done from February to September 2004.

- **Results/outputs anticipated.** Two CBFs participate in the international trade expos/shows in the US; a set of stories and public relation (PR) materials prepared; three to four products profiled; Nepali NTFPs promoted in international market through trade visits, business mails, promotional materials, and distributing samples.

## **OBJECTIVE 5: EDUCATE NTFP BUYERS ON HOW TO SUPPORT NEPAL'S NTFP INDUSTRY TO ACHIEVE SUSTAINABLE LONG-TERM SUPPLIES OF QUALITY PRODUCTS**

Though Western buyers are buying NTFPs originated from Nepal, they don't know about the product's origins and issues related to NTFP marketing. The existing market channels through India do not seem supporting the sustainability of the resource supply and the livings of the collector communities who largely live below the poverty line. The project will share with industry leaders and associations in the West about the issues of NTFPs and educate them on how to support Nepal NTFP industry and their sustainable supply.

### **a) Promotion of Nepali NTFPs and certification initiatives in NTFP industry abroad:**

From the very beginning of the development process of Nepali NTFP certification system, NTFP industry leaders and international buyers have been consulted to get their inputs and certification requirements. Participating in the industry leadership conference that was scheduled last year but held in the second week of October, the project shared initiatives taken in Nepal for sustainable management and responsible business practices among the industry members in the US and has promoted Nepali NTFPs in the US market. Once the certification system is established in Nepal, promotion of this system in NTFP industry abroad will be done by attending international trade shows, expos, industry leadership conference, and mailings including promotional materials to the business contacts. In year two, international buyers including Aveda and members of the Herbal Products Industrial Leadership Group will be involved in development and promotion of Nepali NTFP certification

system. The potential buyers identified from the international market assessment will also be contacted to promote Nepali NTFPs and NTFP certification initiative. This is an ongoing activity.

- **Results/outputs anticipated.** Potential of Nepali NTFPs and initiatives of NTFP certification in Nepal shared with NTFP industry abroad and their suggestions and comments solicited.

**b) Industry leadership conference in the US:**

Industry leadership symposium was scheduled last year. However, it was moved to the second week of October 2003. Ms. Ann Koontz, Mr. David Hircock, and Mr. Bhishma P. Subedi, the alliance coordinator, participated in the industry leadership. Travel fund for Mr. Subedi was sourced from other project. As the NTFP industry leaders in the US were present in the conference, the presentation and participation from the Nepali alliance members was very important to educate the industry on Nepal's initiatives in NTFP certification and product development. The Alliance Coordinator shared with the US industry leaders and businesses present in the event about the NTFPs of Nepal and the issues related to NTFP development and business in Nepal. Ideas were shared on how they could support sustainable use of Nepali NTFPs and collector communities while also benefiting their business from sustainable supply of the raw materials. In collaboration with others, the conference was sponsored and coordinated by Aveda, and around 100 leaders from NTFP industry and sub-sector largely in the US were present in the conference. Ms. Koontz played an important role in this symposium from the beginning as a member of the organizing committee and as a key facilitator of the symposium.

Similarly, an industry leadership conference in the US is planned for sometime in September to October 2004. The preparatory work for the conference will begin from March 2004 and Aveda will take a lead in organizing this conference. A Nepali participant representing the alliance will attend the conference.

- **Results/outputs anticipated.** One industry leadership conference of natural product companies in the US attended and issues of Nepali NTFP and CBFs shared.

**c) Documentation and dissemination of NTFP related issues:**

Last year, in conjunction with the NTFP policy analysis and discussion, documentation and dissemination of NTFP related issues was done. Since this is an ongoing activity, this year too, NTFP related social, cultural, economic, political, and environmental issues will be collected, documented, and disseminated in conjunction with other activities of this project and other projects' activities. In addition to information collection from secondary sources and unpublished documents of various organizations, documentation process will include discussion meetings with key NTFP stakeholders including FUGs, FECOFUN, alliance members, government officials, development organizations, traders and entrepreneurs, and NTFP experts.

Forums like HJSS, NNN, and FECOFUN will be used for both documentation and dissemination of NTFP related issues.

- **Results/outputs anticipated.** NTFP related issues documented and shared among alliance members and key stakeholders of NTFP sector. Lessons assembled and disseminated to alliance and other interested parties.

## **OBJECTIVE 6: LOBBY FOR AN ENABLING POLICY ENVIRONMENT FOR FREE AND FAIR TRADE PRACTICES**

The project intends to contribute to creation of enabling policy environment for free and fair trade practices in Nepal so as to promote sustainable resource utilization and profitable NTFP business development in the country. In year one, the project along with other projects of ANSAB undertook policy survey and analysis workshops in the districts and organized national NTFP policy workshops which developed policy recommendations. The recommendations of the workshop and inputs of ANSAB through other various forums have been well received by the Herbs and NTFPs Coordination Committee. The committee has been working on improving NTFP policies and operational guidelines. For this year too, the project will review and analyze NTFP policy and legislations, organize forums for policy advocacy and forge strategic alliance of key stakeholders. Most of the activities under this objective will run throughout the year.

### **a) Review and analyze NTFP policy:**

The project will continue NTFP policy review and analysis activities to help create enabling policy environment in NTFP sector. The alliance will contribute to a national level workshop to review national policy on NTFPs. The workshop is planned for February 2004. The community forestry guidelines will be reviewed from January to July 2004. The forums like NNN, HJSS, and FECOFUN will be supported to hold meetings, workshop, and interaction programs on NTFP policy related issues in Nepal. These forums will be used to undertake such policy review and analysis work. Since this project intends to promote commercial utilization of NTFPs, the trade and marketing related policy issues will be given due emphasis in policy analysis. Meetings and task force studies will be arranged for policy review and analysis purpose. These are ongoing activities.

- **Results/outputs anticipated.** Contributions made to a national policy workshop, one NTFP policy analysis study (review of CF guideline) undertaken; and three policy analysis and sharing meetings organized.

### **b) Organize forums for policy advocacy:**

Policy advocacy activity begins with policy analysis discussion workshops, meetings, and taskforce studies. The outcomes of policy review and analysis will be shared among alliance and NNN members, government officials, and other key stakeholders. Working closely with other alliance members and key NTFP stakeholders, policy



recommendations will be generated. These recommendations and policy implementation issues in the field will be shared in NNN sharing meetings, HJSS policy advocacy meetings and other interaction programs and workshops. As being the leader in the NTFP sector and a member of the Herbs and NTFPs Coordination Committee, ANSAB will represent the alliance in the policy forums, and provide policy recommendations to the committee, MFSC and its departments, and policy task forces to develop policy documents and to advise in implementation mechanisms. This activity runs throughout the year in collaboration with NNN, HJSS, FECOFUN, and other alliance members and donors.

- **Results/outputs anticipated.** NTFP policy recommendations provided to the policy makers; policy design and implementation issues shared among key NTFP stakeholders; and NTFP policy discussion meetings with key NTFP stakeholders held.

#### **IV. RISKS IN PROJECT IMPLEMENTATION**

The project implementation can be affected by following potential risk factors.

- Security issues related to political conflicts can have an impact on this project, especially on its field activities with FUGs and CBFs.
- If cooperation from key alliance members is not received then the project may not be effective in achieving its goals.

##### **Risks Mitigation Plan**

The project will mitigate these risks by working closely with local communities and community based organizations, de-emphasizing security hotspots in project areas, and building close relationships within the government of Nepal. In addition, if certain activities cannot be undertaken as planned due to some reasons, either these activities will be rescheduled, or the approach of adaptive management will be used to accomplish the objective within the limit of resources available. USAID/Nepal and alliance members will be consulted before making any adjustment that may have significant impact on the project progress.

The project will place greater emphasis on networking and coordinating with alliance members because their support is crucial for the success of the project. Supports from government will be solicited by consulting and involving MFSC and its departments in alliance activities planning process. Alliance planning meetings are specifically designed to facilitate the formation of solid linkages between NTFP producers, business communities and their associations, government, NGOs, and development agencies thereby ensuring their continuous support and involvement in the project activities

Price list of the

**ANSAB**  
**NTFP Market Information Service**  
**P.O.Box 11035, Kathmandu, Nepal**  
**Tel: 977-1- 4497547. Fax: 4476586**

**Price list of selected NTFPs in Nepal and India Markets**

<b>SN</b>	<b>NTFP</b>	<b>Kathmandu</b>	<b>Nepalgunj</b>	<b>Birendranagar</b>	<b>Dolpa</b>	<b>Tanakpur</b>	<b>Lucknow</b>	<b>Kolkata</b>	<b>Delhi</b>
1	Alanchi	205	190	-	-	208	224	-	208
2	Amala	42	40	-	-	48	48	56	60
3	Amalbed	45	65	-	-	104	72	80	80
4	Atis	275	250	-	160	368	440	480	520
5	Barro	-	12	-	-		-	-	-
6	Bhutkesh	-	15	-	-		-	-	-
7	Bishjara	-	145	-	-		-	-	-
8	Bojho	32	25	20-30	-	32	32	-	39
9	Chiraito	110	120	-	-	176	168	144	160
10	Dalchini Bark	-	38	-	-	45	52	-	48-64
11	Gucchi Chyau	5000	6000	-	4000	6400	-	-	6720
12	Ginger	-	35	30.35	-		-	-	-
13	Harro	-	16	-	-		-	-	-
14	Jatamansi*	130	140	-	45-60	128-176	192	208	16-208
15	Kakarsinghi	175	140	-	-	128	120	160	125
16	Majitho	45	40	-	-	50	72	48	72
17	Nirmasi	-		-	200		-	-	-
18	Padamchal	55	55	-	40-45	56	64	-	72
19	Pakhanbed	9	14	-	-	16	20	-	26
20	Pipla	-	90	-	-		-	-	-
21	Rittha	18	12	15-20	-	16	20	-	14-23
22	Satawari#1	160	60	-	-	288	240	200	160-288
23	Satuwa#1	132	90	-	-	224	152	-	176
24	Shilajit*	255	290	-	100	160	400	224	400
25	Sikakai	22	27	-	-	30-32	29	22	34
26	Sugandhakokila	-	90	-	-		-	-	168
27	Sugandhwal*	95	120	-	45	128-144	160	144	168
28	Suntho	130	150	-	-	170	-	160	176
29	Tejpat	28	24	-	-	32	32	-	35-38
30	Timur	160	105	70-75	-	112-120	128	96	144
31	Yarsagumba	-	-	-	150000-180000	-	-	-	154,000

(September 2004)

**Note:**

1. Prices indicated above are for dried parts.
2. \*Ban on export in crude form
3. Prices for Delhi and Lucknow are from cession agent, a 6.5% commission is deducted from supplier in the quoted price.

4. *Above prices are indicative which need to be confirmed with the traders before making actual business transaction*

### Annex 3 PPA progress on M&E indicators, 2004

#### **PPA Progress on M&E Indicators, 2004**

According to monitoring and evaluation plan of the Certification and Sustainable Marketing of Non-timber Forest Products (NTFP) –Public Private Alliance (PPA) project (PPA M&E Plan), information was collected from two PPA pilot districts namely Bajhang and Dolakha for the fiscal year 2003/2004 (July 17, 2003-July 15, 2004) using the procedures and formats as explicated in the PPA M&E Plan and the guidelines used for base line data collection. In the spirit of the objectives and indicators set in the plan, the data was collected, verified and validated using a variety of methodologies such as CFUG and CBFES survey and records, focus group discussions, district forest office records, district level workshops, review of relevant publications/documents and PPA meeting minutes, and meetings and discussions with relevant stakeholders. The overall progress clearly indicates that the project activities are on track towards achieving its goal and objectives with increasing nationwide impacts on sustainable forest management and NTFPs marketing despite the ongoing insurgency and difficult scenario of the country.

In order to present summarized information on the indicators, the relevant indicators are grouped into one Table, and the data are presented below in a series of Tables which include and compare baseline information (2002) with the 2004 (July 17, 2003-July 15, 2004) information on each indicator. The progress is tracked district wise, but the information is also aggregated from the two pilot districts. The following Tables provide summarized information on the indicators set in the (M & E) Plan.

**Table 1: Total Production, Gross Sales and Employment**

Indicators	Total of pilot districts-Baseline	Total of pilot districts - 2004	%-change in Total	Bajhang-Baseline	Bajhang-2004	%-change-Bajhang	Dolakha-Baseline	Dolakha-2004	%-change-Dolakha
Total production from district (kg)	632041	550383	-13%	97061	61235	-37%	1476	489148	-99%
Gross sales from districts (Rs.)	8626233	9980753.98	16%	2075240	2068315	0%	3261678	7912439	21%
Total production from FUGs (kg)	203600	467519	130%	8000	5600	-30%	195600	461919	136%
Gross sales from FUGs (Rs.)	2530703	6318797.98	150%	192000	134400	-30%	2338703	6184398	164%
Total production from district CBFES (kg)	2876	3074	7%	1400	2116	51%	1476	958	-35%
Gross sales from district CBFES (Rs.)	1448175	1308375	-10%	525200	698750	33%	922975	609625	-34%
Total production from HBTL,GAC,AHI (kg)	50042	60,579	21%						
Gross sales from HBTL,GAC,AHI	22385623	29123550	30%						

(Rs.)									
Employment	1043	1209	16%	96	136	42%	947	1073	13

During the fiscal year 2003-2004, the total production of the pilot districts was found decreasing as compared to the baseline information. The reason behind this was that as reflected in the field the collection of NTFPs became cumbersome due to persistent insurgencies and the hurdles thereby for the transportation of the collected products. However, the total gross sales of the two pilot districts was increased which also indicated that the bargaining power of the local communities have increased through market information services as well as they were found to be switching towards high value NTFPs. In Dolakha, the total production from CBFs was found decreasing due to the fact that the sale of essential oil (wintergreen) was reduced during the reporting period. Through sourcing materials from CFUGs, HBTL, GAC and AHI have increased their products and sales as compared to the baseline information. Moreover, the CFUGs in particular have increased their production and sales, which indicated that the project intervention has made positive impacts on CFUGs production capacity. As intended by the PPA project the international trade of NTFPs through HBTL amounted to NRs. 2.5 million during the reporting period, which used to be non-significant in the base line year. As clearly indicated in the project document, in the long run, the main purpose of the project initiative is to achieve sustainable harvesting, and it does not necessarily need to increase total production. These results have also indicated that without increasing production, gross sales are in total found to be increased.

**Table 2: Types of NTFPs Buyers, Gross Margin and Producers Groups**

INDICATORS	Total of pilot districts-Baseline	Total of pilot districts-2004	%-change in Total	Bajhang-Baseline	Bajhang-2004	%-change-Bajhang	Dolakha-Baseline	Dolakha-2004	%-change Dolakha
<i>Types of NTFP buyers</i>									
Responsible buyer	4	6	50%	1	3	200%	3	3	0
Without concern	54	47	-13%	26	19	-27%	28	28	0
<i>Gross margin per unit quantity for select products</i>									
Nepali Handmade Paper in CBFE (Kg.)				75	11.88	-84%	69.25	96.95	40
Wintergreen oil(kg)				0			190	35.50	24
Number of producer groups organized for consolidated supply	0	4	New	0	2	New	0	2	New

As intended by the project, the responsible buying practice was found to be gradually taken place due to project intervention in the project districts. Due to project intervention, fair trade policies are gradually found to be taking place. As the project encouraged fair transaction and responsible buying practices, the company further raised the buying prices of the raw materials from community members, which along with the increased transportation costs resulted into the increased variable cost reducing the gross margin for the company. Moreover, there is a scope to increase gross margin by improving quality of product and market linkages. Through the PPA activities in Dolakha, the gross margin of both the products (hand made paper and wintergreen) was found to be increased with the improvement of product quality and newly developed market linkages through HBTL while maintaining fair-trade principle in sourcing raw material from communities. In both the cases the project is found to have gradually increased responsible buying practices and fair trade policies.

**Table 3: CFUGs, NTFPs Provision and Biological Monitoring**

<b>INDICATORS</b>	<b>Total of pilot districts-Baseline</b>	<b>Total of pilot districts-2004</b>	<b>%-change in Total</b>	<b>Bajhang-Baseline</b>	<b>Bajhang-2004</b>	<b>%-change-Bajhang</b>	<b>Dolakha-Baseline</b>	<b>Dolakha-2004</b>	<b>%-change-Dolakha</b>
<i>FUGs with NTFPs provision in OP</i>									
0 Level	369	361	-2%	224	237	6%	145	124	-14%
1 Level	94	107	14%	8	9	13%	86	98	14%
2 Level	6	15	150%	3	3	0%	3	12	300%
3 Level	1	10	900%	1	4	300%	0	6	New
4 Level	0	0		0	0		0	0	
<i>FUGs that have included biological monitoring</i>									
0 Level	321	332	3%	226	239	6%	95	93	-2%
1 Level	80	81	1%	5	7	40%	75	74	-1%
2 Level	68	72	6%	4	3	-25%	64	69	8%
3 Level	1	8	700%	1	4	300%	0	4	New
4 Level	0	0		0	0		0	0	
<i>FUGs that have implemented biological monitoring</i>									
0 Level	401	413	3%	231	246	6%	170	167	-2%
1 Level	68	73	7%	4	4	0%	64	69	8%
2 Level	1	7	600%	1	3	200%	0	4	New
3 Level	0	0		0	0		0	0	
4 Level	0	0		0	0		0	0	

Note: Grade 0 refers "no" to 4 refers "sufficient consideration"

The Table 3 indicated that there has been a significant progress towards sustainable management and conservation of NTFP resources through inclusion

of NTFPs in the CFUGs operational plans for management and use; inclusion of the provision of biological monitoring in their operational plan, and through gradual adoption and keeping tract of biological monitoring in community forest management. As noted in the Table, CFUGs are gradually moving towards advancement in terms of NTFPs inclusion in the management and application of biological monitoring. Through coaching, training and technical facilitation provided to the CFUGs and FECOFUN local to central networks, the capacity of the communities was found to be increased tremendously so as to move towards more sustainable mode of community forest management.

**Table 4: Industry Members Educated and Networks Cultivated**

INDICATORS	Baseline (2002)	2004	change
Industry members educated	0	107	New
Industry linkages / networks cultivated	0	5	New

Through trade conference (industrial leadership symposium) and other interaction events about Nepali NTFPs, about 107 international industry members were educated in this regard, and the industry members were found to be quite interested in Nepali NTFPs. Similarly, with the initiative of PPA activities, contacts with industry members/organizations as well as trade partners was extended to over 5 new market linkages especially for international trade of Nepali NTFPs. Moreover, with the initiative and support of PPA project, Nepali CBFs have been expanding their business contacts and transactions both at national and international levels.

As forest/NTFPs certification is new initiative in Nepal, and CFUGs are moving towards sustainable management of community forest resources due to project intervention in the pilot districts, it is still too early for CFUGs/CBFs to determine the quality parameters of NTFPs for sale / trade.

Moreover, collection of data as planned in the M&E plan while maintaining reliability and accuracy became rather difficult given the context of insurgencies in the country and underdeveloped record keeping and information management system of FUGs, CBFs, and other concerned stakeholders in the districts. The project has heavily utilized the information available at district forest offices for NTFP transactions and community forestry related activities. Information on employment at the district level has been pooled from the records at district cottage and small industry development boards. And the FUGs and CBFs level information has been collected by reviewing the available documents, interviewing the responsible persons and through focus group discussion. Moreover, the information related to HBTL, GAC, AHI was provided by the respective companies.

## ***Annex 4 (a)***

### **Minutes of PPA sharing meeting**

*ANSAB meeting hall*

*April 9, 2004*

#### **Objective of the meeting:**

1. Review and update the alliance activities
2. Identify the collaboration actions for alliance activities

#### **List of Participants:**

1. Dr. Bijnan Acharya	2. Mr. Netra N. Sharma
3. Mr. Bhishma P. Subedi	4. Mr. Surya B. Binayee
5. Mr. Francisco Tolentino	6. Mr. Indu Bikal Sapkota
7. Mr. Prem Raj Tiwari	8. Mr. Pankaj K. Das
9. Mr. Parbat Gurung	10. Mr. Bhola Bhattarai
11. Mr. Ram Prasad Acharya	12. Ms. Shova Adhikari
13. Mr. Navaraj Panta	

Mr. Bhishma P. Subedi, Executive Director of ANSAB, welcomed all the participants and called on to give account of works the alliance members carried out till the date. Relating to the goal of alliance, he specified three explicit headings - certification, enterprise and policy to concentrate discussion over.

#### **Summary**

Participants shared the progress made in last year and additional activities need to be carried through. More sharing meetings of alliance were called for, to frequently get in touch with progress and necessities that fall under the alliance activities. The alliance meeting brought together issues behind the curtain that made explicit explanation why alliance activities are considered to be lagged back beyond expectation. The alliance members were also assured to get their work plan ensured. The commitment made towards making the certification model a success appeared steeping up well and potential. Moreover, the meet went vibrant, argumentative and later ended with successful outcomes.

#### **Sharing on Progress**

Along with a concise summary of progress, Mr. Bhishma P. Subedi spoke of enterprise promotion and networking; market linkages of community based forest enterprises, market assessment, visit to trade fair and later emphasized the collaborative devices necessary to build up the alliance.

According to Mr. Bhola Bhattarai, seven community forest user groups (CFUGs) in Charikot and ten in Jiri have been set up that occupy 1485 ha. of forest land. Some criteria on the basis of potential resources, comfortableness, and capacity of forest user groups have been developed in sorting out the forest users group for pilot certification. Moreover, CFUG level certification trainings have also been completed.



Bhola Bhattarai and Bhola Khatiwada themselves are conducting training and in some cases are taking lead role for facilitation.

Mr. Navaraj Pantha said we have been conducting PPA activity together with NSCFP, FECOFUN and DFO. Sixteen CFUGs have been selected and the work is intensively going on amongst 5. VDC chairpersons, vice chairpersons and secretaries were invited and trained on forest certification. Consultant rangers are also trained in Dolakha about how FSC principles can be integrated into the operation plan with an objective to bring developments in OP. A network has been already established in Dolakha including 12 groups at present. Also, private entrepreneurs, individual paper producers, and businessmen interested in essential oils production are included in it.

Mr. Prem Tiwari from Gorkha Ayurved Company said about the development of two new products: herbo malt (nutritive supplement) and Dentache Oil (for the relief of dental ailments) which are likely to come in market after May, 2004.

Alternative Herbal Industry is working on developing products (cold creams) from Chiuri Ghiu. Parbat Gurung from HBTL reported the marketing efforts made for Nepali handmade papers and chiraito. Nepali handmade papers were presented to the U.S. based buyers and sample of Chiraito to Europe. Now, costing of the paper is underway whereas feedback from Aveda and Walter is very good. We are producing a pain relief liquid in a different way containing Juniper and Abies. We are also making a sort of alliance with Chaudhary Biosys Group, added Gurung.

### **Recommendations made in the meeting**

The replicated suggestion made in the meeting was to speed up the alliance activities and to put up a field based staff in Dolakha and Bajhang. The discussion appeared curious that commitment expressed through all the alliance members is inevitable. Here are some suggested points made in the meeting.

- Dr. Bijnan Acharya suggested all to work mutually towards achieving the set up goal.
- Mr. Netra N. Sharma suggested to work towards poverty reduction in order to justify how we are working towards our goal. Reminding the importance of understandable, justifiable and immediately developed documentation, Sharma said it works as historical record for future.
- Participants agreed to call on alliance meeting once in two months to build up energy and spirit.
- Dissemination of forest certification issues through radio was need-based program that has brought good impact to make people aware on the certification issues. Mr. Bhola Bhattarai expressed financial difficulty to run the program seeking for any possibility to continue the program further.
- Mr. Netra N. Sharma suggested keeping records of the activities as it spells out transparency.
- The companies also called for the specific and rapid implementation of the plan that provides them more roles to carry through in line with their interest.
- According to FECOFUN rule of law should be promulgated for good governance.

- Organic certification would better to be considered along with the forest certification to get place in the international market.

## **Annex 4      PPA sharing meeting minutes**

### **PPA Sharing meeting Minutes ANSAB meeting hall June 11, 2004**

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#### **List of Participants:**

Mr. Bhishma P. Subedi	Mr. Surya B. Binayee
Mr. Indu Bikal Sapkota	Mr. Parbat Gurung
Mr. Mohan Baniya	Mr. Prem Tiwari
Mr. Pankaj Das	Mr. Ram Prasad Acharya
Mr. Bhola Bhattarai	Ms. Shova Adhikari

Welcoming the participants, Mr. Bhishma P. Subedi recapitulated agenda and outcomes of the previous alliance meeting. Calling for concerns and issues to be discussed in the meeting, Mr. Subedi summarized agenda came from the participants in a more focused way and asked for concentrating issues on 1) certification and CFUGs capacity building, 2) enterprise promotion and marketing 3) policy and progress monitoring of the last two months.

#### **Summary of the meeting**

Appreciative works, innovative ideas and mutual cooperation were perceptible in the meeting. Followed by sharing of progress made in two months of period, each participant actively contributed to the meeting making use of the opportunity for sharing their ideas and issues. The participants said we have been energized by the approval of work plan. The alliance members brainstormed to design its vision and prepared it in Nepali language squeezing down the interest, objective and commitment of the alliance. Considering the preparations and works needed to carry through for the forest assessment, the meet decided to carry it out during the first quarter of October. It was considered remarkable in the meeting that HBTL made transaction of Nepali Hand Made Paper worth equal to 0.6 million NRs. this year. Mr. Subedi said that a request letter to speed up the process of Herbs and NTFP Development Policy, 2061 has been submitted to the chairman of Herbs and NTFP Coordination Committee. To sum up, the meeting was fruitful in bringing out ideas and speed up the energy to work towards promotion of the alliance.

#### **Highlights of the discussion**

##### *Certification and CFUGs capacity building*

Mr. Bhola Bhattarai briefed on works that are carried through during the last two months, where capacity building of community forest, group certification resource management policy and guideline preparation, training conduction (10 days in Nepaljung-leadership development for forest certification and sustainable management for FECOFUN district branches, 5 days in Bajhang-legal awareness training for sustainable forest management and enterprise development) and development of operational plan are going on intensely. Preparation for field assessment task has been underway on track together with the work out for the selection methodology of assessment, added Bhattarai.

The other activities carried out in the field are,

- Dolakha - Inventory of 2 FUGs (Bhitteri and Kalobhir) completed and operation plan preparation ongoing
- Bajhang - Inventory of 3 FUGs (Ranada, Binayak Pimi Dada and Latun) completed and operational plan ongoing
- Bajhang –Tole level certification and orientation meeting

Now a plan of work has been finalized between ANSAB and FECOFUN in order to revise operational plan and constitution in 12 forest users groups of two districts. To support institutionalized certification system in FECOFUN, ANSAB has leveraged fund for 2 district level facilitators to support CFUG capacity strengthening and operational plan revision and 1 central level certification program manager.

In the meantime, Mr. Mohan Baniya said that forest management certification issue should be brought in as a national agenda.

#### Enterprise promotion and marketing

Mr. Bhishma P. Subedi highlighted the potentials of Nepali products following a fact that international market is showing up interest in the Nepali hand made paper, essential oils and others. Only the matter of building up relationship is fruitful to work towards visioning the future, said Mr. Subedi. The active and energetic movement of Rara Soap industry in Mugu that has been speeded up after ANSAB helped them technically and financially to set up a good model for making profit, which by now has attracted attentions of different helping organizations including DFID, cited Mr. Subedi.

In Bajhang, Allo has been found feasible for extracting fiber and to manufacture cloth out of it. There are 16 micro entrepreneurs active and interested in generating Allo fibers that are likely to start producing fibers from November, beginning of the Allo production season. Process of networking for consolidated supply of NTFPs has been stepping up well in Dolakha and Bajhang district, said Mr. Subedi.

Calling for management training from PPA, Mr. Parbat Gurung said that an agreement has been done with Malika Handmade Paper Pvt. Ltd, Himalayan Handmade Paper Enterprise and Masta Handmade Paper Enterprise for three years. This was appreciated by all the participants.

Mr. Bhishma P. Subedi suggested GAC and HBTL to prepare brochure, product description and other materials that sound Nepali products to get prepared for trade show.

#### Policy

Mr. Bhishma P. Subedi, Executive Director of ANSAB suggested Himalayan Jadibuti Sarokar Samuha (HJSS) to be in touch with communication in their organization so as to be active with the progress made with PPA activities.

As a task force was formed in an attempt to define processing technique and minimum viable rate that would be confirmed in respect with analysis of levy raised for three years, Mr. Subedi as a member of Herbs and NTFP Coordination Committee informed that Yarsagumba (*Cordyceps sinensis*) royalty rate is likely to be reviewed. Adding on it, Mr.

Pankaj Das shared that essential information collection and verification to abate the Rotaly rate of *Cordyceps* is underway.

**Innovative ideas in the meet**

Mr. Parbat Gurung envisaged a picture of setting up a district level Handmade Paper Producers Association which could help people utilize the local resources and enable them to get proper benefit. What is more, he also suggested making a similar sort of national level association. The impact of activities is higher after linking up the district and national level associations.

Mr. Prem Tiwari proposed that 100 ha of land in Lumbini district and about 15 ha land around cancer hospital in Chitwan can be cultivated on behalf of the alliance. Prospecting the benefits and cost-effectiveness, Mr. Bhishma P. Subedi supported the idea and encouraged him to make a feasibility study.

# **Public Private Alliance (PPA)**

## **Sharing Meeting Minutes**

*August 16, 2004*

### **Agenda of the meeting:**

- Review of on-going activities
- Sharing and discussions on the upcoming activities
- Other suggestions, if any, suggested by alliance members

### **List of Participants:**

Dr. Bijnan Acharya, USAID	Dr. Udaya Raj Sharma, DPR
Mr. Netra N. Sharma, USAID	Mr. Bhishma P. Subedi, ANSAB
Mr. Prem Tiwari, GAC	Mr. Parbat Gurung, HBTL
Mr. Bhola Bhattarai, FECOFUN	Mr. Surya B. Binayee, ANSAB
Mr. Indu B. Sapkota, ANSAB	Mr. Ram Prasad Acharya, ANSAB
Mr. Navaraj Panta, ANSAB	Ms. Shova Adhikari, ANSAB

Mr. Bhishma P. Subedi, Executive Director at ANSAB made a start of the meeting bidding a warm welcome to all the participants. Mr. Subedi also summarized the activities carried out during the two months of period. As soon as a number of participants congregated, the meeting took a very informal and interesting mode through the sharing of Dr. Udaya Raj Sharma about biodynamic farming.

### **Major highlights of the meeting:**

#### ***Policy:***

NTPF policy study is underway where ANSAB has already held a workshop in Godavari Hotel. NTFPCC has passed NTFP development policy, 2061 which has now been put forward to the cabinet after it was handed over to the minister for forest and soil conservation.

Dr. Udaya Raj Sharma, Director General at Department of Plant Resources (DPR) emphasized the necessity of effective plan for the upcoming NTFP policy implementation. He expressed concern; the policy is going to be consented soon from the government, if the community people do not make use of the policy. The efforts we made might be futile.

Entering into certification issue, Dr. Sharma said, the major hurdle we often come across is the maintenance of quality. Now we require a certifying body which can assure eg. moisture content, and quality of the product.

#### ***Forest management Certification:***

Making a concise detail in the forest certification initiative, Mr. Bhishma P. Subedi said operational plans in Dolakha and Bajhang, two in each districts have been prepared and amongst one has been approved. The matter of interest is that progress has been mounting equally in both of the districts. In the run of development, Mr. Subedi shared group certification resource manager in FECOFUN, scoping visit under the participation of Dr. Walter Smith, selection of assessors, has already been completed. If the security situation stands still, we will start the assessment by September and accomplish it by October, said Mr. Subedi.

Districts are keeping updates of the forest certification activities, added Mr. Navaraj Panta. Mr. Panta is working in Dolakha district for the forest certification initiative.

Mr. Subedi updated the meet that much effort has been made towards seeking opportunities for visit in the case of Mr. Bhola Bhattarai. We found Latvia potential and productive, yet there are circumstances like visa issue that are making hurdles to our efforts, despite a great deal of efforts Rain Forest Alliance made to us, further said Mr. Subedi.

Requirement of organic certification came out as Mr. Subedi expressed a potential requirement of bringing organic certification together with forest management certification issue appeared necessary.

Mr. Bhola Bhattarai, General Secretary at Federation of Community Forest Users (FECOFUN) shared the progress made on behalf of the FECOFUN in the forest certification process.

### ***Enterprise and Product Development:***

It is probable that the price of Jatamansi may mount up, if the situation remains as it is. Price information about NTFP and other relevant information have been regularly disseminated to Dolakha and Bajhang. According to Mr. Parbat Gurung, HBTL has made transaction of over 20, 00,000 rupees in this year through Nepali hand made paper and essential oils from Bajhang. AHI has completed product development of cold cream that is made out of Cheuri. What is more, GAC has developed Herbal Mart and Dentach oil, said Mr. Prem Tiwari. The developed products from GAC and AHI are now about to be launched in the market. Mr. Surya B. Binayee put forth an agenda of trade show calling for suggestions. Responding to Mr. Binayee, Dr. Bijnan Acharya advised to work and measure out it in depth and share on it later.

## **The Road Ahead To Forest Certification and Sustainable Marketing of NTFPs in Nepal**

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*(Based on the Mini-Workshop Synthesis of Experiences and Lesson Learned from the "Certification and Sustainable Marketing of NTFPs: Public Private Alliance Program" of ANSAB.)*

September 16, 2004

Francisco Tolentino, MSFE Advisor  
Prakash Kant Silwal, MSFE Consultant  
SNV/Nepal.



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## **A. Context of the Workshop**

### **1. Objective**

The main theme of the mini workshop<sup>1</sup> was to share experiences and lessons learned amongst the stakeholders of the *"Certification and Sustainable Marketing of NTFPs: Public Private Alliance Program"*. In this regards, each of the participants were advised to focus on the following:

- Major milestones of each PPA members in regards to their participation in the implementation of the program.
- Insights and lessons learned from their involvement in the program

### **2. Methodology**

- The process and methodology adopted were as follows (program schedule in Annex I):
  - Introduction by Mr. Francisco Tolentino of SNV
  - Welcome and context setting by Mr. Bhisma Subedi of ANSAB
  - Moderation of the mini-workshop by Mr. Prakash Kant Silwal/SNV Consultant
  - Informal individual presentation (1) focusing on their program experience since the start of the implementation and significant accomplishments achieved in each of the activities involved, and (2) identifying issues and constraints. Although a buzz/group session was planned, given the limited number of participants and the open discussion that ensued, it was dropped and focused question based moderation helped to synthesize the experiences and lessons learned.

## **B. Workshop**

### **1. Introduction**

- Mr. Francisco Tolentino, the MSFE Advisor, welcomed everyone to the workshop. He elaborated that this mini workshop was a discussion organized to solicit inputs, in the form of lessons learned and other experiences, so that future actions towards promoting forest certification in Nepal can be identified and designed. Therefore, he further indicated that, this was a focused discussion amongst only the stakeholders that are deeply involved with the project. This was done to further maximize inputs from the stakeholders.

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<sup>1</sup> We cannot do justice to such a strategically important program like PPA if we attempt to analyze everything based on this mini workshop. A complete and structured one day workshop (minimum) would have highlighted in-depth the lessons learned and experiences of the PPA partners.

- Mr. Bhisma Subedi the Executive Director of ANSAB thanked everyone for coming to the workshop. One of his colleagues how, Mr. Surya Binayee, however clarified that they all came to the workshop under the request of SNV so as to give inputs to define as to how the project should proceed ahead. Mr. Subedi indicated that the Public Private Alliance (PPA) Project was a small attempt of piloting certification in few districts in Nepal but exemplified other projects like LFP where knowledge exists for defining the nature and the direction of private public alliance programs related to certification, and sustainable marketing of NTFPs.
- Mr. Prakash Kant Silwal then requested the participants to volunteer for the individual presentation.

## 2. Individual Presentations

- Mr. Bhisma Subedi proceeded with a brief recap of the context under which the project was conceived, designed and implemented. The major points he highlighted was:
  - There were significant livelihood opportunities for the community and the local people through NTFPs when ANSAB originally conceived, designed and implemented the project. The big challenge, therefore, was conservation of NTFPs as well as appreciation of the existing benefits that communities/local people were getting from NTFPs.
  - So ANSAB embarked on a community based sustainable development conservation program that was piloted in two districts two years ago.
  - Private national companies like HBTL, AHI, GA, international companies, and FECOFUN are the important stakeholders of the program
  - The modus operandi for the implementation of the project was based on the private public alliance that was created between the stakeholders (namely communities, national/international companies, private NGOs and the donors USAID, SNV, etc).
  - Some of the issues identified by ANSAB during the course of the project conception, design and implementation are as follows:
    - Marketing of NTFPS needs to be addressed effectively so that proper price and strategies for their conservation could be developed
    - NTFP has a niche market and for the program to be successful that niche market needs to be identified
    - The proper strategy to capture the niche market was to show/prove that the process of harvesting and the development of the NTFPs was sustainable

- Vested interest of people and communities undermined their involvement in the program
  - The government was never an active and official partner of the program but at every step of the resource management activities there was active interaction with the government.
- Successful implementation of the program has resulted in ANSAB being synonymous with NTFP at the national as well as local community level
- Mr. Bhola Bhattarai volunteered from FECOFUN to share their experiences and lessons learned from their involvement in the PPA program. Some of the key issues highlighted by Mr. Bhattarai are as follows:
  - FECOFUN is a national level networking organization with deeply rooted extensive networks of Community forest user groups (CFUGs) at the local level. All the CFUGs are their members.
  - They have old association with ANSAB and are convinced in the ANSAB approach to sustainable resource management
  - Initially they were not aware of the certification process and the sustainable resource management approach of the PPA but after joining the PPA they were happy to realize that FECOFUN's approach was in tune with the FSC and the ANSAB approach as being implemented under the PPA program.
  - Now they have tailored the FECOFUN approach in line with the FSC principles to achieve sustainable forest management by addressing the economic, social and the environmental aspects of the concerned communities or project areas. They accepted FSC principle because it involves with the governance of community forestry.
  - Certification is now one of the main agenda of FECOFUN
  - FECOFUN has initiated sustainable forest management practices and certification activities in two pilot districts. Some of the outputs delivered at the pilot district level are:
    - Gap analysis has been done to identify the issues to be addressed in the social aspects of sustainable forest management
    - At the policy and action plan level gap analysis has been conducted that helped to create an enabling environment to ensure proper delivery of service to the communities
    - Constitution and action plan (operation plan) has been drafted with revisions in line with FSC principles and constitution

- Institutional strengthening of district level FECOFUN chapters have been undertaken
- They have realized that in order to achieve sustainable forestry management social aspects of the concerned communities/project area needs to be strongly addressed.
- Have developed a national level certification guidelines (internal to FECOFUN)
- Publicizing national agenda through publications and radio programs
- At the district level one of the major challenge they are facing is: How to move ahead after the present level program activities and show the local communities that there is real benefit by in participating in the program? Some of the arguments used by FECOFUN to convince the communities are:
  - There is monetary benefit-direct benefit
  - Community forestry is a good program when done through the sustainable approach of the FSC, recognition of the FSC (third party goodwill) means worldwide marketing outreach for the produced NTFPs and this leads to good governance of the community forestry.
  - Certification is a good marketing tool that leads to sustained yield in NTFPs available for marketing as well as market outreach thus a constant flow of money at the local level.
- A question involving the role of government in certification at the policy level was raised. FECOFUN and ANSAB agreed that the role of government is very important as there existed many contradictions between the local self-governance act/guidelines and the Forests related regulatory frameworks. As a result the effective implementation of the program was affected. All the participants were of the agreement that unless the whole process is owned by the government and facilitated the sustainability cannot be ensured at this stage. Some of the key feedbacks included:
  - Dr. Uday Raj Sharma commended the certification efforts. Some of the key points Dr. Sharma raised are as follows:
    - He feels that the role of the government is to create an enabling environment but this is probably not happening here because he feels that the government has been totally left out in this process.
    - He further added that although at the local level government bodies have been approached for their informal involvement but a binding and formal involvement is still lacking.

- He sees the inadequate formal communication of the PPA stakeholders with the government as a national issue and needs to be pursued seriously. He suggested, ultimately the government needs to own any policy level documents produced either by PPA program or its stakeholders for it to be binding and legal and for the program/communities to be able to seek any formal support from the government for their benefit.
- He further suggested that the forest management must be based on the principles of sustainable development.
- In the context that the government has recently endorsed the NTFP policy he suggested two things that can be done by the project to facilitate the refinement of the policy. They are as follows:
  - As DFOs are implementers of the policies and guidelines related with the NTFPs and sustainable forest management, government is in need of immediately coming up with a tentative guidelines for the DFOs for the sustainable management of NTFPs and an inventory system.
    - Unless mechanisms are developed such that the DFOs ultimately own the policies the effectiveness of the NTFP management cannot be realized
    - For starters, he suggested the guidelines and the inventory to be based on the 30 species of NTFPs that the NTFP Coordination committee and the Department of Plant have identified.
- From the private sector Mr. Parbat Gurung of the HBTL shared his views and experiences and some of the key issues he raised were:
  - The reason his company participated in the PPA was they firmly believed that with the alliance the NTFP benefits can be directly delivered to the doorsteps of the communities and certification is now a national issue.
  - His company believes that the private sector needs to adopt the direction of the certification process i.e. people will not have incentive to save forest if they cannot see that they can make an earning and a good livelihood through the sustainable management of the forest. Therefore, as far as he is concerned, he feels that certification and sustainable forest management has to be a government as well as a political agenda.
  - Currently HBTL is partnering with community based enterprises in sustainable management and marketing of the NTFPs
  - Some of the benefits and issues encountered by HBTL as a result of participating in the PPA program are as follows:
    - It was HBTLs experience that they were able to develop enterprises and increase the yield of NTFPs but marketing was a problem. The

participation of the company in the PPA program has somewhat addressed the marketing aspect of their business.

- Currently, employment is limited to those people and communities involved in their activities
  - They have been able to inject much needed money into the local economy as a result of the cash back mechanism developed
  - They do all their trading through the CFUGs
  - This year alone they were able to harvest 400,000 kgs of NTFPs from two districts
- Mr. Govinda Ghimire of the Alternative Herbal shared some of the benefits they received from the PPA program as follows:
    - Market linkages and the support for product development
    - Increase in product selling and recognition by the buyers and the niche market of their socially responsible nature that was developed as a result of participating in the PPA and following the FSC principles.
    - In terms of their corporate contribution, they see professional management as a major contribution. By imparting professional management to the local level enterprises, they have been able to increase the utility of some NTFP resources and related products that are underutilized before.
    - Markets are working with socially responsible companies and as a result the volume of international trade of NTFPs had increased.
  - Mr. Prem Tiwari of the Gorkha Ayurved also shared some of his experience as a PPA stakeholder as follows:
    - They buy all their raw materials from CFUG (90%)
    - They have direct relationship with the producers and they have eliminated the middlemen that traditionally were the major beneficiaries of the NTFP business. As a result they claim that more money has ended in the pockets of the producers i.e. the CFUG.
    - For Gorkha Ayurved, GMP is more important besides the Chain of Custody document as mandated in the Forest certification process because over 60-65% of the ayurvedic medicines now fall under food supplement (for which GMP is needed).
    - Certification is relevant for herbal products only but for food supplements GMP is required in the western markets
  - Mr. Man Prasad Khatri, the VDC Chairman of the Bajhang, pointed out that there is conflict between the national acts/policies and the LSGA that needs to be ironed out if we are to fully and sustainably harvest NTFPs for the benefit for the communities. He further added that each year there are more and more species added to the lists of NTFPs that can be harvested. In this context it is more important to review the action plans and the contradictory

acts and policies to create an enabling environment for the sustainable harvesting of the NTFPs.

- Before the closing remarks by Dr. Udaya Raj Sharma the issue of poverty reduction by the project by generating employment and bringing in income was raised and all the participating companies responded positively to this by suggesting that their activities had:
  - Helped to develop and increase the number of local level enterprises and reduced the middleman concept thus putting more money in the pocket of the enterprise people
  - Ensured the income of the CFUGs by buying raw materials only from the CFUG
- In the process the companies had also benefited from the project as the socially responsible image they were developing helped to ensure international markets; and there were some indications that by volume the international trade had increased
- Allocation of earned income by the factories as social development fund was suggested as an indicator of their seriousness towards the local communities and asked if any of the factories had such funds. It turns out none of the companies were engaged in such a nature of activity (At this point it may not be necessary to implement exactly the same scheme but a similar scheme can be introduced later)

### 3. Closing remarks

In the conclusion of the workshop Dr. Uday Raj Sharma summarized and provided his closing remarks. Some of the key points of his closing statement are as follows:

- He was really appreciative that SNV and USAID had taken up the forest certification issue in the PPA program through the ANSAB and its PPA partners.
- He hope and gave his best wishes to the project that even after the project is over the sustainable forest management and certification issues will be permanently adopted by the stakeholders of the PPA project so as to make it a sustainable program and a success story in the future
- He suggested:
  - It would have also been better if somehow the government would have been involved and it had picked up on the issue of forest certification but it commended the vacuum filled by PPA project in this regards
  - In the present context, for the program to sustain there is a need to find a mechanism to tie up and include the NTFP coordinating committee
  - For FECOFUN to be successful, it needs active and credible backup support as it cannot accomplish all these things in isolation



- There are other certification schemes that the Department of Plant Resources is planning. The department is planning to institute 5 outlets for certification.
  - The government could serve as the certifying body.
  - Prospect for organic farming and its certification also needs to be addressed along with GAP, GMP and *in-situ* harvesting of NTFPs.
- He concluded stating that community forests are big resources and therefore, advance price assurance of products from it can increase production and ensure quality thus truly bringing into practice the concept of sustainable forest management.
  - At the end he floated an idea of a trade fair being planned in Nepalgunj in the near future that was overwhelmingly supported and enquired in detail by all the participants.

### **C. Discussions**

There was no formal discussion session allocated during the workshop but it was spontaneous and workshop moderation helped to direct and explore certain thematic issues relevant to the program. The informal nature of the workshop was able to freely solicit responses from the stakeholders. Some of the thematic issues addressed during the discussions by the participants are elaborated in this section.

#### **Theme 1: Poverty Alleviation**

- The program aims to reduce poverty through employment generation, income and resource management. All participants expressed their commitment to the aims of the program. Some of the key activities that have been carried out towards the attainment of the objectives by the stakeholders can be summarized as below:
  - Development of micro-enterprise at the local level to stimulate the local business activity
  - Getting rid of the middleman or brokers, directly/only working with the raw materials coming from the CFUGs thus ensuring more money in the pockets of the local enterprises/people/community.
  - Internal price standardization by some of the companies for various types of NTFPs

#### **Theme 2: Market Linkages**

- One of the objectives of the program was also to establish various market linkages at the local, national and the international level so that the raw materials produced at the local level and the processed products by the national companies are able to find sustainable and good price markets.

- The aim is to ensure a sustainable market for the NTFP raw materials and products. Some of the activities carried out are:
  - At the local level CFUG and Local enterprises (industries or traders) are linked to the local market through the expert marketing team of the few selected PPA partners like HBTL, AHI and GA.
  - The PPA program linked the national level companies with international markets
  - Individual price list developed by the PPA partner companies.

### Theme 3: Enabling Policy Environment

- The PPA program is also focused on creating an enabling policy environment so that NTFPs can be harvested in a sustainable manner; its markets are ensured and traded for good monetary value at the national and international markets. Some of the suggestions/activities include:
  - The PPA program has been working actively with the FECOFUN in helping to develop constitution and operation plan of the local level enterprises and CFUGs
  - It also contributed to the review of the recently adopted NTFP policy of the government
  - Experiences suggest that there is contradiction between the national forest acts and the LSGA/R which has created difficulties in creating an enabling policy environment
  - Informal inclusion of the government sector

### Theme 4: Social Responsibility

- The theme of socially responsible work ethics by the stakeholders was viewed as a major issue in terms of contributing to the poverty alleviation objectives as well as increasing sales by ensuring the NTFP niche market.
- Formation of CFUG, buying raw materials only from the CFUGs, getting rid of the middle man in trading and various institutional and empowerment related activities implemented by the program by the participants have been viewed as indicators of social responsibility

## **D. Data Gaps**

Some of the data gaps that exist and if addressed could lead to more effective implementation of the PPA program and sustainability of the program themes are as follows:

- Impact analysis of micro-enterprise activities is yet to be carried out by the program. Documentation of the impact of micro-enterprise activities could help to understand the extent to which these activities have contributed in improving the livelihood of the locals and reduction of poverty
- Social responsibility needs to be understood in more strategic terms where there is a mechanism to share some of the profits arising from

NTFP sales to the local communities. One example that we normally see practiced in western countries is setting up of a social development fund to address the social issues of the communities

- There is a lack of policy that contributes to creating an enabling policy environment where companies are encouraged to be more socially responsible strategically.
- The program is yet to identify the various national and local level policy contradictions that need to be addressed. This could be detrimental to the sustainability of some of the approaches of the program
- Development and institutionalization of sustainable resources management concepts through the formulation of documents like environmental governance manual or local level sustainable development agenda at the local level is missing. Unless the NTFPs management is viewed in totality the benefits cannot be fully realized at the national and local level.
- The documents and OP prepared have not been endorsed by the HMGN
- National certification standards including GMP for NTFP needs to be developed
- NTFP guidelines and NTFP strategic development plan yet not developed
- No inventory scheme/system developed for NTFPs yet

## **E. Recommendations/Lessons Learned**

The mini workshop suggests that some strategic interventions are needed to make the fruits of the program be realized, impacts assessed and ensure the sustainability of the program. Below are some of the key interventions that should be explored/planned for the future implementation of the PPA program and other certification-related initiatives:

- Some conflicts of policies have been noted between national acts and the LSGA that hinders sustainable harvesting of NTFPs for the benefit of the communities. Policy review to address the national and local policy related conflicts needs to be undertaken.
- There is good scope and benefits in adopting or practicing socially responsible businesses and marketing of NTFPs. Developing or formulating policies supportive of promoting companies to be socially responsible should be explored.
- Participating members of the PPA have reported positive impacts of the program interventions but the impacts were not clearly substantiated. Impact analysis of PPA program interventions and various activities have to be undertaken
- Active coordination to formally involve the government sector in the program to ensure multi-stakeholders involvement in carrying out certification, i.e. government, private sector, communities, etc. is necessary. However, need to balance formal involvement of the

government vs. delays in the adoption of certification process is likewise crucial.

- Documentation of best practices should be carried out as there seems to be indications of activities that could be replicable and fulfilling a certain niche.
- Seek support of the government to formally endorse the policy level document produced as a result of the PPA program as there seems to be various independent initiatives by the private sector that are awaiting government endorsement for it to be binding.
- The government should be encouraged to support development of national certification standards as well as GMP systems for NTFP and its related products. Certification is relevant for herbal products while GMP is needed for food supplement in order to facilitate exports. We have to take note of the limitations of the uses/relevance certification and GMP.
- NTFP inventory is a basic requirement in the preparation of a sound NTFP development plan, which forms part of the foundation for sustainable forest management/forest certification. An inventory system appropriate for NTFPs should be developed to facilitate assessment of available NTFP resources.

## **F. Annex 1**

### **Program Schedule and Participants**

**Date and Time:** 12:00pm--3:45 pm, Thursday, September 16, 2004  
**Venue:** Baneshwor, Kathmandu.

#### **Participating Stakeholders:**

SNV	Mr. Francisco Tolention Mr. Prakash Kant Silwal
ANSAB	Mr. Bhisma Subedi Mr.Indu Sapkota Mr.Surya Binayee Mr. Ram Prasad Acharya

FECOFUN	Mr. Bhola Bhattarai
HBTL	Mr. Prabat Gurung
GA	Mr. Prem Tiwari
AHP	Mr. Govindra Prasad Ghimire

HMG/N	Dr. Udaya Raj Sharma
HJSS	Mr.Man Prasad Khatri

## Annex 6 List of forest certification documents collected and shared

**Table 1:** List of the documents:

S. No.	Name
1	Forest Certification and Communities: Looking forward to the Next Decade-A review by Augusta Molnar
2	Evidence and theory Advocacy Led Certification System: Michael E. Conroy (PERI)
3	Resource Manager (Group) Certification Model: SMART WOOD
4	Annual Report Certification: Market-Driven Conservation (SMART WOOD)
5	Afterthoughts on the Long-term Implications of Certification: Alan Wittbecker
6	Principles and Criterion: Forest Certification
7	FSC Guidelines and Certifications bodies: Chain of custody certification
8	Presentation Papers: FSC Certification
9	Forest Management Certification: SmartWood
10	Chain-Of-Custody Certification: SmartWood
11	Forestry Info Mailing May 2003
12	Sustainable Marketing: Managerial-Ecological Issues-Donald A. Fuller
13	Principles & Criteria for Forest Stewardship: Pocket Guide-FSC
14	Forest Certification Training Mt.
15	Environmental Management System Requirements
16	A system for assessing potential biodiversity in boreal and with some notes about tropical forests.
17	Assessment of eight different schemes The 'old' schemes
18	Wood mark Generic Standard and Checklist
19	FSC International Policy <b>Title:</b> SLIMF Eligibility Criteria
20	FSC Policy and Standards Unit Advice Note <b>Subject:</b> Interpretation of FSC Criterion 9-2
21	FSC International Policy <b>Title:</b> SLIMF Streamlined Certification Procedures: Summary
22	FSC Certification And The ILO Conventions FSC reference code: FSC-POL-30-401
23	Partial Certification Of Large Ownerships <b>Document Reference:</b> BM-19.24
24	FSC Guidelines for Certification Bodies Part 2: Forest Certification
25	Report of International Training on Forest Certification
26	Forest And Forest Product Certification And It's Impact On Trade And Trade Policies By: Suboh Mohd Yassin, Deputy Secretary General, Ministry of Primary Industries Malaysia
27	Forest Certification - a brief lookout. By: Borje Drakenberg

28	Eight Forest Certification case studies
29	Group Certification Additional Guidance for Inspectors
30	Institutional Requirements for Forest Certification - a manual for stakeholders
31	Certification and Sustainable Marketing of Non-Timber Forest Products (NTFP)-Draft Work Plan for Year 1(Oct 1, 2002-Sep 30,2003
32	Peace Corps Volunteers Active in Promoting NTFP Development- Brian Becker, PCV 1997-2000
33	Certification of Non-Timber Forest Products Moves Forward-By Glenn Allen/1999 (Workshop Proceedings)
34	NTFP Certification Addendum: Principles and Criterion
35	Preliminary Findings from Industry Surveys on the Domestication and Cultivation of Botanicals-IUCN/SSC Wildlife Trade Programme Workshop on the Conservation Impacts of Commercial Captive/Artificial Production of Wild Species
36	Proceeding from Forest Certification Workshop: 19/21 March 2003- LFP (Livelihoods & Forestry Program)
37	Strategies to promote sustainable and ethical raw material sourcing in the botanicals industry- Results from an industry survey (Sarah A. Laird & Alan R. Pierce)

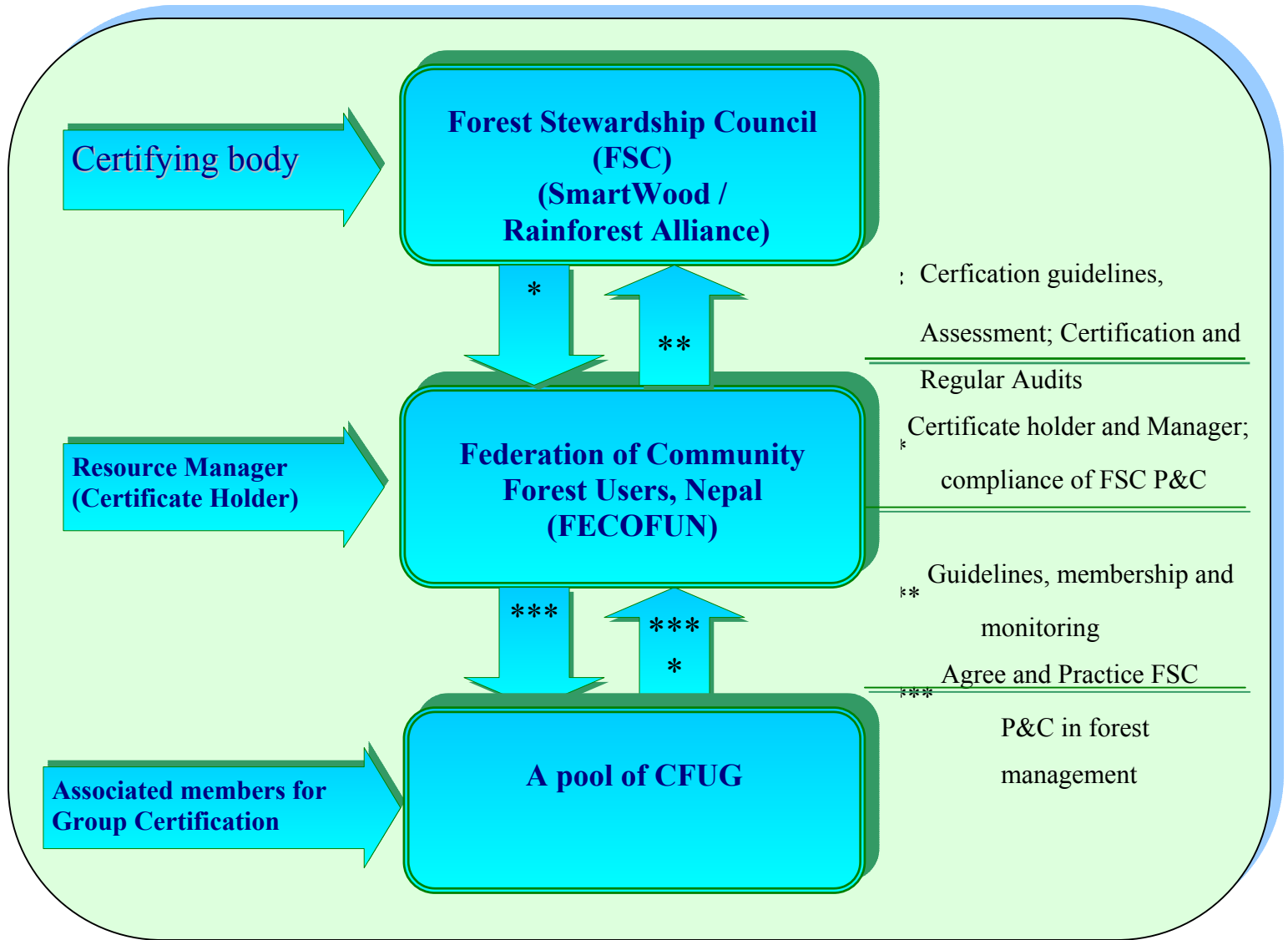
## **PUBLIC PRIVATE ALLIANCE FOR SUSTAINABLE FOREST MANAGEMENT AND MARKETING OF NTFPS**

- ❖ Awareness and capacity building of key stakeholders in “Forest Certification and
- ❖ Pilot certification model for Nepal finalized and systems being developed (Chart 1)
- ❖ 12 CFUGs in Dolakha and Bajhang selected and capacity building and OP improvement of selected CFUGs in the spirit FSC P&C being carried out
- ❖ Products for chain of custody certification selected; and product design and development research ongoing (Chart 2)
- ❖ NTFPs supply networking and linkages among CBFEs developed and being strengthened for NTFPs marketing (Chart 3)

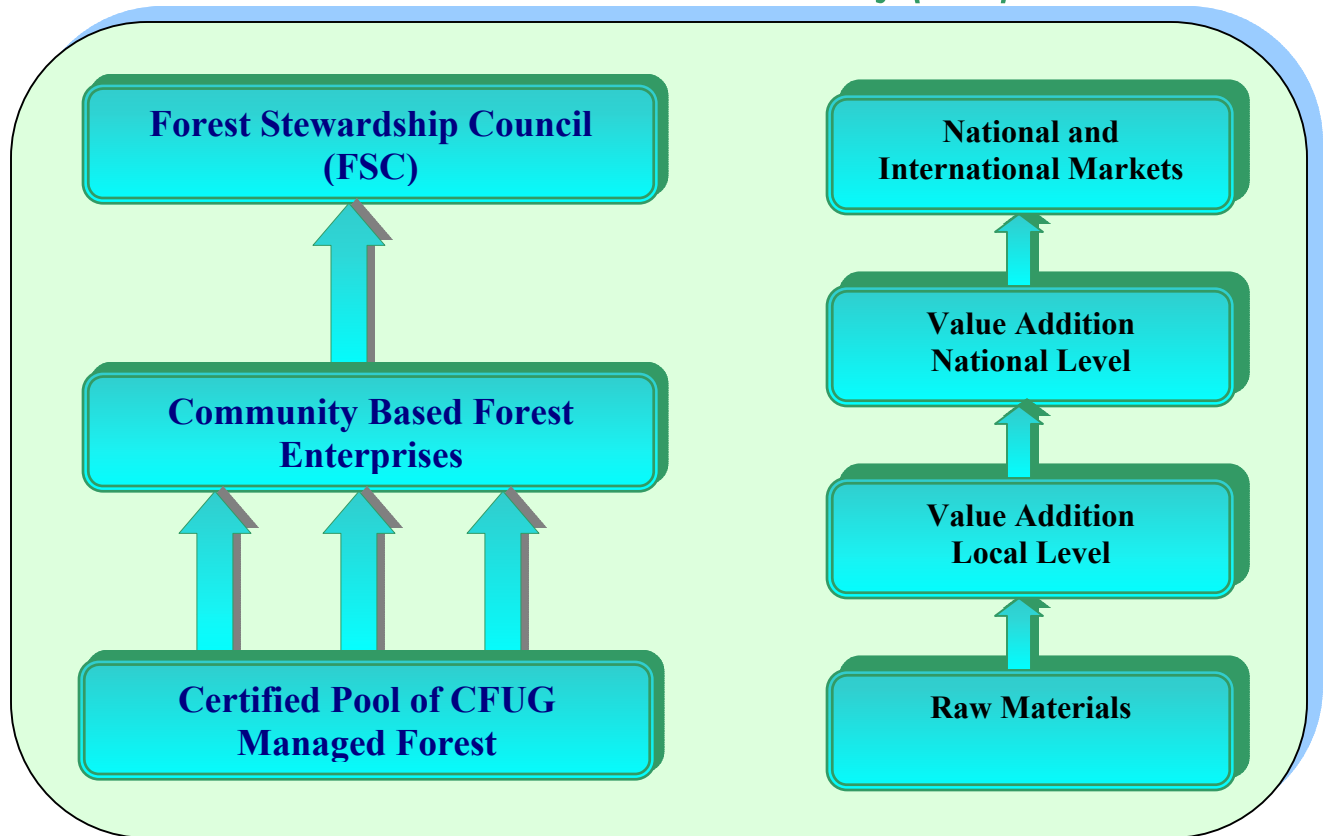
CFUGs: Community Forestry User Groups  
OP: Operational Plan  
FSC: Forest Stewardship Council  
P&C: Principle and Criteria  
CoC: Chain of Custody



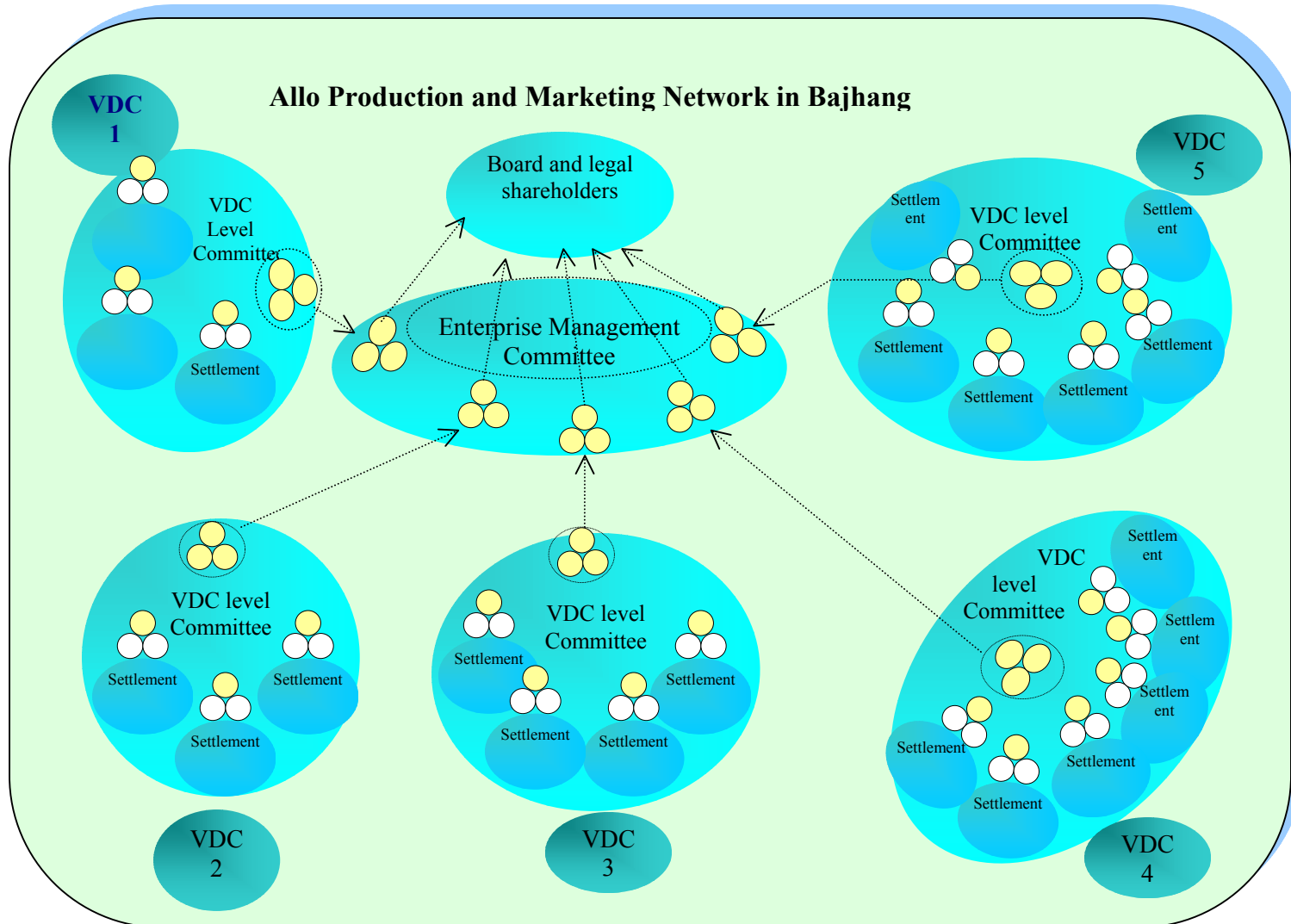
# Chart 1: Forest Certification Model



## Chart 2: Pilot Model for Chain of Custody (CoC) Certification

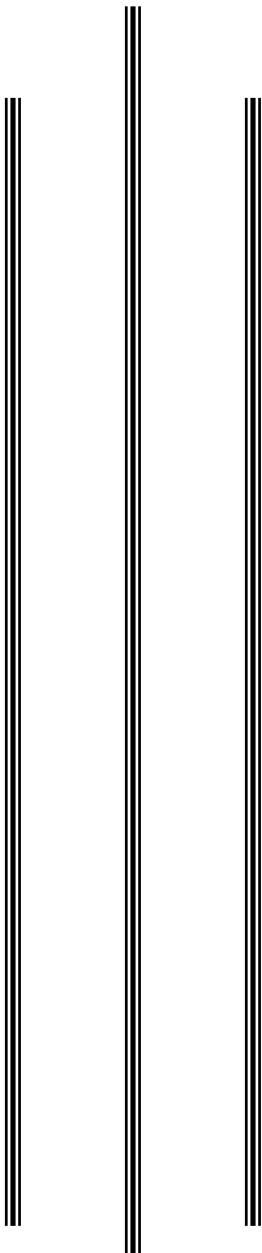


# Chart 3: NTFPs Supply Network



**Annex 10      FECOFUN group certification policy and guideline**

;fd'bflos jg pkef]Qmf dxf;+3, g]kfn  
sfo{gLlt @)^!



;fd'bflos jg pkef]Qmf dxf;+3, g]kfn  
/fli6«o sfo{ ;ldltsf] ;lrjfn  
sf7df08f}

;fd'bflos jg pkef]Qmf dxf;+3, g]kfn  
/fli6«o sfo{ ;ldltsf] ;lrjfn  
sf7df08f}

;fd'bflos jgsf] lbuf] Joj:yfkgsf nflu ;f=j=p= dxf;+3 g]kfnsf]  
sfo{gLlt @)^!  
k|:tfjgf

g]kfnsf] jg ljsf; u'?of]hgf @\$%, jg P]g @\$ ( / lgodfjnL @)%! cg';f/  
pkef]Qmfx¿n] ;fd'bflos jg pkef]Qmf ;d"x u7g tyf btf{ eO{ /fli6«o jgnfO{  
;fd'bflos jgsf] ¿kdf Joj:yfkg ub}{ cfPsf 5g\ . tLg} ;fd'bflos jg pkef]Qmf  
;d"xsf] k|ltglwd"ns ;+:yfsf] ¿kdf @)%@ hji7 !\* ut] o; dxf;+3sf] :yfkgsf  
ePsf] xf] . ;+:yf btf{ P]g @)#\$ cg';f/ sf7df08f} lhNnf k|zf;g sfof{no  
sf7df08f}df btf{ g+= !^\* )%@—%# df btf{ ePsf] o; dxf;+3sf] cfkm\g}  
ljwfg /x]sf] 5 . dxf;+3sf] ljwfg @)%@ / ;f+u7lgs lgodfjnL @)%% sf]  
clwgdf /xL g]kfnsf] ;fd'bflos jg >f]tsf] lbuf] Joj:yfkgsf] nflu dxf;+3sf]  
cfkm\g} sfo{gLlt cfjZos ePsf] Pj+ ;f] >f]t Joj:yfkgsf] nflu cfjZos k|s[of,  
;+/rgf tyf cg'udg k|0ffnL ;d]t agfpg jf~5gLo ePsf]n] o; ;f=j= >f]t Joj:yfkg  
;DaGwL sfo{gLlt, @)^! tof/ u/L nfu" ul/Psf] 5.

k|/R5]b —!

o; sfo{gLltsf] sfg"gL x}|;ot tyf cfwf/x¿M

dxf;+3sf] ljwfg @)%@ sf] bkmf @% / lgodfjnL @)%% sf] lgod ^)  
sf] clwgdf /xL of] gLlt dxf;+3 :yfoL ;ldltsf] a}7ssf] lg0f{o cg';f/ nfu" x'g]5 .

dxf;+3sf] ljwfg @)%@ adf]lhd dxf;+3sf] nlo p2]Zo / sfo{k|0ffnL  
b]xfo adf]lhd /x]sf] 5 M—

-s\_ ljwfgsf] bkmf %=! cg';f/ cfd ;xeflutfsf] cfwf/df lg0f{o k|s[ofdf  
;l/s u/fpFb} jg pkef]Qmf ;d"xx¿df cfTdan / cfTd lge{/tf clej[l4  
ub}{ n}hfg] o; dxf;+3sf] nlo x'g]5 .

-v\_ ljwfgsf] bkmf %=@ p2]Zo cGtu{tM

bkmf %=@=# ;fd'bflos jg ljsf;sf] qmddf ;Gt'Int jftfj/0f sfod /fVg  
j[lff/f]k0f :jf:Yo ;/;kmfO{ h:tf cleofg ;~rfng ug{ hg ;d"xdf r]tgf hfuf0f ug]{ .

bkmf %=@=\$ — cj;/af6 al~rt ;d'bfosf] clfy{s tyf ;fdflhs :t/ p7fpg  
;d'bflos jgaf6 klfKt >f]tsf] ;d'lrt afF8kmf+8 tyf ;b'kof]u ug{ k]l/t ug]{ .

bkmf %=@=^ — ;fd'bflos jg pkef]Qmf ;d"xsf] xs lxtsf] ;+/lf0f  
;Da4{g tyf ;w} ;r]t /xb} /fli6«o ;Dkbfsf] hu]gf{ tyf ;fd'bflos jgsf] gLlt,  
lgoddf cgle1 ;d"xdf r]tgf ljsf; ug{ gLlt lgod cjut u/fpg, ;fd'bflostfsf] efjgf  
hfu[t u/fpg Pj+ jg Joj:yfkg k]lijw tyf ljsf; sfo{df ultlznf Nofpg k|oTg ug]{ .

bkmf %=@=& ;fd'bflos jg lf]qdf pkef]Qmfx¿sf] cfly{s:t/ a[l4 x'g]  
vfnsf ljljw cfod"ns s[ofsnfx¿sf] k|bz{g tyf cg';Gwfg h:tf sfo{qmd ;~rfng  
u/L ;xof]u tyf k]f]T;fxg lb+b} cfod"ns sfo{qmdx¿ ;~rfngdf 6]jf k'¥ofpg] .

bkmf %=@=\* — nf]k x'g uO{/x]sf] jGo -k]fs[lts\_ ;Dkbfsf] ;+/lf0f,  
;Da4{g ug{ tyf h}ljs ljljwtf]sf] Xf;nfO{ lgoGq0f ug{ hfgsf/L ;+sng ub}{  
To;sf] cf}lrTotf tyf dxTjsf] af]w u/fO{ pkef]Qmfx¿nfO{ ;r]t x'g clek]l/t  
ug]{ / ;fy} ;+o'Qm k|oTgsf] jftfj/0f ;[hgf ug]{ .

bkmf %=# sfo{ k|0ffnL

bkmf #=! ;fd'bflos jg, ;fd'bflos jgdf Pu]f] km/]i6«L -s[lif jg k|0ffnL\_  
sfo{qmd h}ljs ljljwtf / hl8a'6L ;DalGwt sfo{qmd, lghL jg / kof{j/0f ;+/lf0f  
nufot ;Dk"0f{ jg ;Dkbfsf ljljw klfdh hgdfg;df 1fg km}nfp a}7s, uf]i7L,  
kljrg, ;Dd]ng, tfld cflbsf] cfof]hgf ug'{, u/fpg' / To:tf]df efu lng', lng  
nufpg' .

bkmf %=#=\$ — pkef]Qmf ;d"x u7g x'g g;s]sf] jgx¿sf] pkef]Qmf  
;d"x u7g / x:tfGt/0f k]s[ofdf cfjZos ;xof]u k'¥ofpg' .

bkmf %=#=% — jg tyf jftfj/0f lijfodf cWoog, cg';Gwfg ug'{, u/fpg' /  
pko'Qm hfgsf/Lx¿ k|rf/k;/ ug{ cfjZos ;"rgf cfbfg k|bfg ug'{sf ;fy}  
kqklqsf, k':ts k'l:tsfx¿ k]sflzt u/fO{ tyf >Jo b[Zo ;fwgx¿pTkfbg u/fO{  
lijqmL ljt/0f ug'{ u/fpg' .

bkmf %=#=( — n'Kt x'Fb} uPsf] jGo ;Dkbfsf] ;+/lf0f tyf h}ljs ljljwtf  
sfod /fVg] cleofgdf ;DalGwt pkef]Qmfx¿nfO{ ;l/s u/fpFb} ;DaGwL  
hfgsf/L / To;sf] ;+/lf0f, ;Da4{gdf lg/Gt/ ;xof]u h'6fpg] .

kl/R5]b — @

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b'/ b[li6 M æ;fd'bflos jg ;a}sf nflu / ;w}sf nfluÆ

Wo]o M ;fd'bflos jg pkef]Qmf dxf;+3 g]kfn lbuf] jg Joj:yfkgsf] dfWodaf6 of]hgfa4 lhljsf] kfh{g tyf ;fd'bflos ljsf;sf nflu Gofof]rLt / ;'zflzt k|OfnL :yfkgsf ub}{ clwsf/ ;DkGg z;Qm ;f=j=p=;= lgdf{Of tyf kl/rfnLt ug{ sl6a4 5 .

nloM ælbuf] jg Joj:yfkgsf nflu ;fd'bflos jg pkef]Qmf ;d"xåf/f ;fdflhs jftfj/OfLo / cfly{s b[li6sf]Ofn] jg lf]qsf] ;b'kof]u ub}{ ;fd'bflos jg pkef]Qmf ;d"xdf c;n zf;g :yfkgsf ug]{Æ

/OfgLltM lbuf] jg Joj:yfkgsf] nflu ;f=j=p= dxf;+3 g]kfnn] cjnDag ug]{ /OfgLlt b]xfo adf]lhd x'g]5 M

-s\_ /fli6«o sfg'gxç / km/]i6 :6]jf8{l;k sfplG;n (FSC) sf l;4fGtxçnfu" ul/g]5 .

-v\_ jg >f]tsf] :jfldTj, k|of]u ug]{ clwsf/ / To;dflysf] bfloTj ;fd'bflos jg pkef]Qmf ;d"xsf] x'g]5 .

-u\_ ;f=j=p= ;d"xxçsf] k/Dk/fut 1fg ;Lk / k4ltnfO{ ;Ddfg tyf klj4{g ul/g] 5 .

-3\_ ;f=j=p= ;d"xsf pkef]Qmfxçsf] >f]t dflysf] clwsf/ ;'lgIZrt ul/g]5 .

-a\_ ;fd'bflos jg pkef]Qmf ;d"xn] ;~rfng ug]{ ultljwxçdf ;+nUg sfdbf/xç k|lt ;fdflhs Gofof]lrt (Social equity) Jojxf/ ul/g]5 .

-r\_ ;fd'bflos jgaf6 lg/Gt/ ?kdf ax'cfoflds j:t'xç pTkfbg ug]{ u/L Joj:yfkg ul/g] 5 . ;fy} pTkfbL j:t'xçsf] :yflgo :t/dfg} k|zf]wg ug{ k|fyldstf lbO{g]5 . k|fzf]lwt j:t'sf] :yfgLo :t/df dfu eP pQm dfu k"/f ug{ k|fyldstf lbOg]5 . To;/L k|fKt ePsf] cfDbfgL ;d"xsf] lg0f{oaf6 jgsf] Joj:yfkg, hLljsf]kfh{g / ;fd'bflos ljsf;df vr{ ul/g]5 .

-5\_ ;fd'bflos jgsf] Joj:yfkg ubf{ h}ljs ljljwtf ;+/lf0f tyf jftfj/Ofdf k|lts"n c;/ gkg]{ ul/ :jLs[t ljwfg tyf sfo{of]hgf cg'çk ;~rfng ul/g]5 . ;fy} jghGo pTkfbgdf /f;folgs kbfiy{sf] k|of]unfO{ lg?T;fxg ul/g]5 . o;}u/L, >f]tsf] Joj:yfkg ubf{ ;f=j=sf] Plss[t Joj:yfkg ul/g] 5 .

-h\_ jgsf] Joj:yfkg tyf ljsf;sf nflu ;f=j=p=;=n] ljleGg ;+3;+:yfxçsf] ;xof]u lng ;Sg]5g\ .

-em\_ ;fd'bflos jgsf] sfo{of]hgf jg pkef]Qmfxçn] cfkm}n] tof/ tyf sfof{Gjog ug]{ 5g\ . pQm sfo{of]hgf k|rlnt jg P]g lgodfjnL / km/]i6 :6]jf8{l;k sfplG;nsf] efjgf cg'çk tof/ ul/g]5 . Joj:yfkg



of]hgf agfpFbf :yfgLo cfjZostfx¿nfO{ kl/k"lt{ ug{ k|fyldstf lbO{g}5 .

-`\_ cg'udg k|s[of ;f=j=p=;n] lgoldt ?kdf ug}{ k4lt ljsf; ug}{5 . >f]t k|aGwsf x}|;otn] ;f=j=p dxf;+3n] ;f=j=p=;x¿sf] cg'udg tyf d"Noflg ug}{5 . ;fy} ;d"xsf ultlj|wx¿nfO{ afXo klfâf/f cg'udgsf] jvt ;d"xx¿sf] cfkm\gf clen]v tyf ultlj|w k|:t't ug}{5 .

-6\_ ;fd'bflos jgsf] Joj:yfkg ubf{ ;d"xn] ;fdfGo k|s[l|t / l|lzi6 dxTj ePsf] jg lf]qnfO{ ;+/lf0f ul/g}5 . o;sf] cltl/Qm cGo pTkfbglzn jg lf]qnfO{ lbuf] jg Joj:yfkgsf] k4lt cg';f/ Joj:yfkg ul/g} 5 .

-7\_ ;fd'bflos jg Jo:yfkg k|s[ofdf k|fs[lts k'g?pTkfbgnfO{ g} k|f]T;xg ul/g}5 .

kl/R5]b — #

jg Joj:yfkg dfu{ bz{g M

-s\_ ;fd'bflos jgsf] lbuf] Jo:yfkgsf nflu b]xfo adf]lhdsf] dfu{ bz{gdf pNn]lvt a'Fbfx¿ sf] clwgdf /xL sfo{ ;~rfng x'g}5 .

#=! ;fd'bflos jgsf] Joj:yfkg ubf{ jg P]g, @)\$ (, lgodfjnL, @)%! sf] clwgdf /xL sfo{ ug}{kg}{5 .

#=@ P]gn] lgwf{/0f u/] adf]lhd ;a}vfn] z'Nsx¿ ;fd'bflos jg pkef]Qmf ;d"xn] a'emfPsf] x'g' kg}{5 .

#=# /fi6«n] k|lta4tf hfx]/ u/]s]f /fli6«o, cGt/fli6«o ;lGw, dxf;lGwx¿sf] kfngf ub}{ k|ltaGwt tyf pRr d"No dfGotf /fVg] jGo hGt' tyf jg:kltx¿sf] Joj:yfkg u/]sf] x'g' kb}{5 .

#=\$ ;fd'bflos jg lf]q cGtu{t sfg'gn] lgif]w u/]sf] sfo{ ug{ kfO{g} 5}g .

#=% bLuf] jg Joj:yfkg sfo{ ug}{ qmddf ;DalGwt ;/f]sf/jfnfx¿ ljr ;dGjo / ;xsfo{ u/L sfo{ u/]sf] x'g' kg}{5 .

-v\_ -!\_ ;fd'bflos jgsf] >f]t dfly :yflgo ;d'bfox¿sf] k/Dk/fut clwsf/ :yflkt ug{sf] nflu jg sfo{ of]hgfdf jg >f]tsf] Joj:yfkg, pkof]u / nfe k|fKt ug}{ of]hgf lgdf{0f ubf{ pkef]Qmfx¿sf] cfd;xdltsf] k|lqmofaf6 lg0f{o u/]sf] x'g'kb}{5 .

-@\_ ;fd'bflos jg >f]tsf] :jfldTj / pkof]u ug}{ clwsf/ ;fd'bflos jgsf pkef]Qmfx¿sf] x'g}5 . o; dfly s'g} klg ljjb ;[hgf ePdf kl/R5]b \$ df pNn]lvt klfx¿ lar 5nkmn u/L Joj:yfkg ul/g}5 .

-\$\_ cflbjf;L tyf k|zft ;d"xx¿sf] >f]tdflysf] k/Dk/fut xs :yflkt ug{sf] nflu ljwfg tyf sfo{of]hgfdf pNn]v u/L nfu" ul/Psf] x'g' kg}{5 .

-%\_ ;dfhdf /x]sf] ;fdflhs cfly{s, wfld{s / kof]j/0fLo b[li6sf]0fn] dxTj /fVg] klfx¿sf] klxrfg u/L ljwfg tyf sfo{of]hgfdf ;dfj]z ul/ klj4{g u/]sf] x'g'kg}{5 .

-^\_ :yflgočkdf /x]sf] k/Dk/fut 1fg ;Lksf] k|of]u u/L ;d"xn] cfly{s nfe x'g] sfd u/]df To:tf] klfsf] Gofof]lrt ?kdf cfly{s tyf cGo ;xof]u jf b'j} ug]{ Joj:yf ePsf] x'g' kg]{5 . -h:t}M— hl8a'l6 1ftf, cfDrLxč sf] 1fg ;Lk lnO{ ;d"xn] cfly{s nfe x'g] sfd\_

u= -!\_ lbuf] jg Joj:yfkg ug{sf] nflu :yflgo :t/df g} /f]huf/L tflndxč sf] Joj:yf ldnfpFbf cj;/af6 alGrt JoIQm tyf ju{nfO{ k|fyldstf lbg'kg]{5 .

-@\_ jg Joj:yfkg sfo{ ug]{ sfdbf/xčnfO{ slDtdf Go"gtđ :yflgo b//]6 adf]ldh Hofnf kfpg] Joj:yf ePsf] x'g'kg]{5 . sfd ug]{ lzn!;nfd f:jf:Yo / ;'/lffsf] ;DaGwL plrt Joj:yf ;d"xsf] lgOf{o adf]lhd x'g'kb{5 .

-#\_ ;f=j= sf] ljwfg tyf jg Joj:yfkg sfo{ of]hgf lgdf{Of ubf{ ;dfhsf dlxfn tyf hghftL, k5fl8 kf/Psf ju{sf] ;dfg rfxgf ePsf klfxč ;d]tnfO{ ;dfj]z u/fO{ cfd ;xdltâf/f ljwfg sfo{of]hgf lgdf{Of u/]sf] x'g' kb{5 .

3= -!\_ ;fd'bflos jg Joj:yfkg sfo{of]hgf lgdf{Of ubf{ jftf/OfLo tyf ;fdflhs k|efjnfO{ ;d]t pkef]Qmfxč sf] e]nfâf/f d"Nof+sg u/L ;f] sf] cfwf/df sfof{Gjog ul/Psf] x'g]5 .

-@\_ ;fd'bflos jg leqsf] pRr d"No dfGotf /fVg] h}ljs ljljwtf ;+/lfOf lf]qsf] klxrfg e} ;+/lfOf u/]sf] x'g'kg]{5 .

-#\_ d7, dlGb/ tyf ;f+:s[lts dxTj /fVg] lf]qxč ePdf klxrfg e} ;+/lfOf ug'{kg]{5 .

-\$\_ ljzi6 dxTj /fVg] lf]qsf] čkdf /xg] ;Dkbfx? -h:t}M e"—lfo lf]q, kfgLsf] d'xfg ;+/lfOf lf]q klxrfg ul/ ;+lftčkdf jg Joj:yfkg sfo{of]hgfdpNn]v u/L Joj:yfkg u/LPsf] x'g' kg]{5 .

-%\_ ljwfg tyf sfo{of]hgf lgdf{Of ubf{ cfd;xdltsf] lgOf{o k|lqmof k"/f ul/ tof/ ug'{ kg]{5 .

-^\_ ;fd'bflos jg pkef]Qmf ;d"xsf] ljwfg / sfo{of]hgf jg P]g / lgodfjnLn] lgib{i6 u/]sf] 9fFrF adf]lhd x'g'kg]{5 . pQm 9fFrF cg';"rLdf pNn]v ul/Psf] 5 .

-&\_ ;fd'bflos jg pkef]Qmf ;d"xn] b]xfoadf]lhd a'Fbf cg'udg tyf d"Nof+sg ug'{kg]{5 .

-s\_ ;f=j=p=;=; sf] n]vf Joj:yfkg ;DaGwL cBfjlws k|ltj]bg . -cg';"rL\_

-v\_ cl3Nnf] a}7sdf ePsf lgOf{osf] cg'udg .

-u\_ ;d'xnfo{ k|fKt cj;/ pkof]uLtf -tflnd uf]i7L, e|dOf, /f]huf/L cflb\_ k|OffnL . -cg';"rL\_

-3\_ aflif{s k|ult k|ltj]bg / cfDbfgL vr{sf] ljj/0fsf] cg'udg u/L  
dx;+3 / lhNnf jg sfof{nodf k]z ug'{kg}{5} .

-<sup>a</sup>\_ Jofj;flos jg >f]tx¿;DaGwL cg'udg cfjZostfcg';f/ sDtLdf %  
jif{eLqdf Ps k6s ug'{kg}{5} .

kl/R5]b — \$

lhDd]jf/L

lbuf] jg Joj:yfkg ug]{ lznlnfndf >f]t k|aGwssf x}|;otn] FECOFUN sf]  
lhDd]jf/L b]xfoadf]lhd x'g]5 M—

!= cfm\gf ;b:o ;f=j=p=;= xĲnfO{ jg Joj:yfkg k|s[of ckgfpFbf ;fdflhs,  
cfly{s / jftfj/OfLo klfd f ;d'lrt Wofg k'¥ofpg nufOg]5 .

!=! ;f] sfo{sf] nflu ;f=j=p=;=sf] ljwfg / sfo{of]hgfd pNn]v x'g]5 .  
dx f;+3n] ;d"xs f] ;xof]us f] nflu ;xhLs/Ofsf] e"ldsf lgjf{x ug]{5 .

!=@ ;f=j=sf] ljwfg / sfo{of]hgf lgdf{Of ubf{ lbuf] jg Joj:yfkgsf] l;4fGt  
/ cfwf/xĲnfO{ cfTd;ft ul/g]5 .

!=# ljwfg / sfo{of]hgf lgdf{Of kZrt To;nfO{ nfu" ug]{ qmddf  
;d"xnfO{ pTk]l/t ul/g]5 .

!=\$ lbuf] jg Joj:yfkgsf nflu ;fd'bflos jg pkef]Qmf ;d"x tyf dx f;+3sf  
;f+u7lgs O{sfO{xĲsf] lfdtf ljsf; ul/g]5 .

!=% ;fd'bflos jg pkef]Qmf ;d"xnfO{ lbuf] jg Joj:yfkgsf nflu cfjZos  
kg]{ pBd ljsf;, ahf/Ls/Of cflbsf] ;'rgf ;+sng tyf kljfx ul/g]5 .

!=^ lbuf] jg Joj:yfkgsf nflu /fli6«o tyf cGt/fli6«o ;/f]sf/jfnf;Fu  
;DaGw lj:tf/ tyf ;dGjo ul/g]5 .

!=& ;fd'bflos jg pkef]Qmf ;d"xs f] :jLs[t jg sfo{of]hgf adf]lhd sfo{ eP  
gePsf], ;fd'bflos jg pkef]Qmf ;d"xs f] sf]if Joj:yfkg -  
cfDbfgL÷vr{ / jg k}bfjf/sf] Gofof]lrt ljt/Of k|OfnLsf] nflu  
cg'udg k|OfnL ljsf; u/L nfu" ul/g]5 .

!=\* lbuf] jg Joj:yfkg ;DaGwL hfgsf/L tyf k|fKt pknAwLsf] k|rf/ k|;/  
ub}{ gLltut txdf k|efj ;sf/ftds k|efj kfg{sf nflu kxn ul/g]5 .

!=( >f]t k|aGwssf x}|;otn] dx f;+3n] ;fd'bflos jg pkef]Qmf  
;d"xxĲnfO{ lbuf] jg Joj:yfkg k|OfnL canDag u/L k|lqmof k"/f  
u/]sf ;d"xxĲnfO{ ;b:otf lbg] tyf lbuf] jg Joj:yfkgsf] efjgf ljk|/t  
u/]sf] kfOPdf k|dfl0ft ;b:otfsf] ;d'xaf6 x6fpg ;lsg]5 .

!=!) ;fd'bflos jg pkef]Qmf ;ldlt n] u/]sf] ultljwxĲ tyf cfDbfgL vr{  
;DaGwL clen]vxĲ tyf pkef]QmfxĲsf] cEof; ;DaGwL s'/fnfO{  
;f=j=p= dx f;+3n] k|To]s aif{ sDtLdf ! k6s cg'udg ug'{kg]{5 .

!=!! dx f;+3 lhNnf zfvfxĲdf # b]lv % ;b:oLo jg k|dfl0fs/Of Focal  
Team u7g x'g]5g\ eg] dx f;+3 s]Gb|df :yfoL ;ldltsf] lg0f{o  
adf]lhd # ;b:oLo Focal team u7g x'g]5 .

!=!@ ;f=j=p=;= n] lbPsf] lgj]bg cg';f/ pQm ;fd'bflos jg pkef]Qmf  
;d"x jg k|dfl0fs/Ofsf] nflu of]Uo 7x/ ePdf dx f;+3 s]Gb|n] k|fKt

u/L 5gf}6 ePsf ;d"xx?sf] Psd'i7 lgj]bg Smartwood /FSC df  
k7fpg]5 .

!=!# 5gf]6 gePsf ;d"xx¿nfO{ lsg 5gf]6 gePsf] xf] < egL lj:t[t ljj/0f  
;lxtsf] hfgsf/L lg0f{o ePsf] #) lbg leq kqâf/f hfgsf/L k7fOg]5 .  
olb csf]{ aif{ k'gM ;f]xL ;d"xn] cfkm\gf] k|s[of k"/f u/L lgj]bg  
lbPdf lgj]bg z'Ns yk lnOg] 5}g .

!=!\$ olb jg k|dfi0fs/0f ;d"xdf ;b:o ePsf ;d"xx¿n] ;b:otf lemSg rfx]df  
jf k|dfi0fs/0f k|s[ofaf6 5'6\g rfx]df ;d"xsf] lg0f{o adf]lhd dxf;+3  
lhNnf zfvf dfkm{t÷;fem} dxf;+3 s]Gb+|df hfgsf/L k7fpg ;Sg]5 .  
pQm lgj]bgsf] hfFra'em u/L s]Gb|Lo focal team sf] l;kmfl/;df,  
;yfoL ;ldlt lg0f{osf] cg';f/ sfjf{xL x'g]5 . ;f] sf] hfgsf/L #% lbg leq  
;DalGwt ;d"xnfO{ lbOg]5 .

!=!% k|fKt lgj]bg pk/ 5fgljg ug{, k|ltj]bgsf] cWoog tyf ljZn]if0f u/L  
clGtd k|ltj]bg tof/ ug]{ h:tf sdfs] nflu dxf;+3df /x]sf] jg  
k|dfi0fs/0f Focal Team n] cfjZos l;kmfl/; ;lxt :yfoL ;ldltdf k]z  
ug]{5 .

@= jg k|dfi0fs/0f k|s[osf] nflu ;b:o ;f=j=p=;=n] cjnDag ug'{ kg]{ s'/fx¿

@=! jgsf] bLuf] Joj:yfkg ug]{ To:tf ;f=j=p=;=x¿n] o; dxf;+3sf] ;b:otf  
k|fKt u/L aflif{s gljs/0f ;d]t u/]sf] x'g'kb{5 .

@=@ jg k|dfi0fs/0fsf] nflu k|s[of cufl8 a9fpg tof/ ePsf] ;f=j=p=;=sf]  
ljwfg tyf sfo{of]hgf ;fd'bflos jgsf] lbuf] Joj:yfkgsf] nflu ;f=j=p=  
dxf;+3 g]kfnsf] sfo{gLlt @)^! cg';f/ ;jLs[t ePsf] x'g'kg]{5 .

@=# ;d"xsf x/]s ultjlwx¿ -;d"x kl/rfng tyf Joj:yfkg\_ ljwfg /  
sfo{of]hgf cg';f/ ul/Psf] ;d"xsf]÷;ldltsf] lg0f{o ;fy} >f]t Joj:yfkg  
gLlt adf]lhd ePsf] x'g'kg]{5 .

@=\$ ;fd'bflos jg pkef]Qmf ;d'xn] cfkm\gf ultjlw tyf clen]vx¿  
cBfjlws ug'{kb{5 pQm clen]vx¿ >f]t k|aGws jf >f]t k|aGwn]  
l;kmf/L; u/]sf] klfnfO{ pknAw u/fpg' kg]{5 .

@=% ;f=j=sf] lbuf] Joj:yfkgsf nlfu dxf;+3sf] sfo{gLlt @)^! adf]lhd  
;f=j=p=;= n] jgsf] Joj:yfkg u/]sf] k|dfi0ft ub){ jg k|dfi0fs/0f  
k|s[of cufl8 a9fpg ;d"xsf] lg0f{o ;flxt ;f=j=p dxf;+3, g]kfnsf  
;DalGwt lhNnf zfvf dfkm{t jf ;f]em} dxf;+3 s]Gb|df ?=%).—  
;lxtsf] lgj]bg lbg'kg]{5 . lgj]bgsf] 9fFrf cg';"rLdf pNn]v eP  
adf]lhd x'g]5 .

@=^ k|fKt lgj]bg cg';f/ dxf;+3sf ;DalGwt lhNnf zfvf jf s]Gb|n]  
;d"xsf] lgj]bg adf]lhd ;d"xsf] ultjlw ;+rfng eP÷gePsf] af/]  
cg'udg ug]{5 . cg'udgsf] k|ltj]bg cfwf/df dxf;+3 s]Gb|n] pQm  
lgj]bg dflysf] sfjf{xL cufl8 a9fpg] jf ga9fpg] eGg] lg0f{o ug]{5 .

#= jg k|df0fLs/0f ;d"xsf] ;b:otfsf] cof]Uotf b]xfoadf]lhd x'g]5 .  
\$=! dxf;+3sf] ;b:otf g/x]sf] cj:yfdf To:tf] ;d"xsf] ;b:otf vf/]h x'g] .  
\$=@ :jLs[t sfo{of]hgfsf] dd{ l|kl/t sfd u/]df .  
\$=# ;d"x @ k6s eGbf a9L lgnDagdf k/]df  
t/ dfly h] h:tf] s'/f n]lvPsf] eP klg dxf;+3sf] ;b:otfaf6 eg]  
lgnDag x'g]5}g\ .

cg'udg tyf d"Nof+sg

jg k|df10fs/0f k|s[ofdf /x]sf tyf k|df10fs/0f ePsf ;fd'bflos jg pkef]Qmf  
;d"xsf] lgoldt cg'udg tyf d"Nof+sg ;DaGwL Joj:yfM  
!= jg k|df10fs/0f k|s[ofdf /x]sf tyf k|df10fs/0f eO{ ;s]sf ;f=j= lf]q tyf  
;d"xsf] ultljlwxçsf] lgoldt cg'udg tyf d"Nof+sg / k[i7kf]if0f ug]{  
sfd dxf;+3 lhNnf zfvfsf] ;xof]udf s]Gb|n] ug]{5 ;f=j=p=;= sf tn  
pNn]lvt lqmofofsnfkx? dfkm{t cg'udg ul/g]5 .  
-s\_ ;d"xsf] a}7ssf] dfkm{t  
-v\_ ;d"xsf] ;fwf/0f ;efxç  
-u\_ ;d"xxçsf] clen]v k'l:tsfsf] cWoog / ljZn]if0f  
-3\_ jgsf] :ynut lgl/lf0faf6 / jgJoj:yfkgsf] cDof;af6  
-a\_ pkef]Qmf tyf sf=;=;+u k|Tolf e]63f6af6  
cg'udg kmf/dx? cg';"rLdf /flvPsf] 5 M—

cg';"rL !  
;fd'bflos jg pkef]Qmf ;d'xn] ;|f]t k|aGws -;f=j=p=dx;+3\_ nfO{  
lbg'kg]{ lgj]bgsf] gd"gf  
cg';"rL @  
;f=j=p= dx;+3n] km/]i6 :6]jf8{l;k sfplG;n(FSC/Smartwood)nfO{ lbg]  
lgj]bgsf] gd"gf M  
cg';"rL # pkef]Qmf ;d"xsf] ljwfg ;f/f+z  
cg';"rL \$ jg Joj:yfkg sfo{of]hgfsf] ;f/f+z  
cg';"rL % jgsf] cj:yf cg'udg kmf/d gd"gf  
cg';"rL ^ pkef]Qmf ;d'xn] /fVg] jg k}bfjf/ ;+sngsf] gd"gf kmf/d  
cg';"rL & jgsf] cj:yf ljZn]if0f gd"gf kmf/d  
cg';"rL \* pBd Jojzfodf ;+nUg JolQmx?sf] ljj/0f gd"gf kmf/d  
cg';"rL ( ;d"xleq k|fKt cj;/x<sub>2</sub>sf] pkof]u gd'gf kmf/d  
cg';"rL !) ;fd'bflos jgsf] jg k}bfjf/ laqmL ljt/0f /l;b  
cg';"rL !! ;fd'bflos jgsf] jg k}bfjf/ lbPsf] cg'dtL kq  
cg';"rL !@ hl8a'6L ;+sng O{hfht kq  
cg';"rL !# hl8a'6Lsf] 5f]8k"lh{  
cg';"rL !\$ ;fd'bflos jg pkef]Stf ;d'xsf] jflif{s k|lta]bgsf] gd'gf kmf/d

cg';"rL — !

;fd'bflos jg pkef]Qmf ;d"xx¿n]] ;|f]t k|aGws -;f=j=p=dx;f;+3\_ df lbg'  
kg]]{ lgj]bgsf] gd'gf

>L ===== ;fd'bflos jg pkef]Qmf ;d"x ldlM

===== lhNnf

uf=lj=;÷g=kf= ===== j8f g+===== -  
7]ufgf\_

;d"x btf{ g+= jf -n]6/Kof8df\_

>L ;fd'bflos jg pkef]Qmf dx;f;+3÷dfkm{6 km/]S6 :6]jf8{l;k sf\_

k'/fgf] jfg]Zj/ sf7df08f},

g]kfn

ljifoM jg k|df10fs/0f ;d"xdf ;xefuL x'g] jf/] .

pk/f]Qm ljifodf xfd|f] ;fd'bflos jg pkef]Qmf ;d"x km/]:6 :6]jf8{l;k  
sfplG;nn] k|ltkfbg u/]sf] lbuf] jg Joj:yfkgsf l;4fGt tyf cfwf/x¿ tyf  
;f=j=p=dx;f;+3sf] lbuf] jg Joj:yfkg sfo{gLlt tyf dfu{ bz{gsf] clwgdf /xL  
sfo{ug{ tof/ /x]]sf] / jftfj/0fLo, cfly{s tyf ;fdlfhs klfx¿ sf] hfFrsf nflu km/]i6  
:6]jf8{l;k sfplG;nsf] dfGotf k|fKt :df6{p8sf] b]xfosf] lf]qleq ;j]{lf0f  
(Assessment) ug{sf nflu tof/ ePsf 5f}+ . o;sf ;fy} xfd|f] ;fd'bflos jg k|yd  
k6s Assessment u/fpg tyf x/]s aif{ aflif{s ¿kdf cl86 u/fpg ;d]t tof/ /x]sf]  
s'/f o;} kq dfkm{6 k|ltj4tf hfx]/ ub}{ ;f=j=p=dx;f;+3n] tof/ u/]sf] jg  
k|df10fs/0f ;d"xdf ;xefuL x'g OR5's ePsf]n] ;d"xsf] tkm{af6 b]xfo adf]lhd  
sfuhftx? o;} ;fy ;+nUg u/L of] lgj]bg k]z u/]sf] 5f}+ .

tkm{af6 pkef]Qmf ;d"xsf]

cWolf

gfd

=====

b:tv

=====

7]ufgf -k"/f 5fk ;xLt\_

tkl;n

;fd'bflos jg pkef]Qmf ;d"x 7]ufgfM btf{ g+ ;lxt

;fd'bflos jgsf] rf/ lsNnf M



k"}{M  
klZrdM  
pQ/M  
blIf0fM  
;+nUg sfuhftx¿  
!= ;fd'bflos jg pkef]Qmf ;d"xsf] btf{ k|df0fkq k|ltlnlk yfg —!  
@= ;fd'bflos jg x:tfGt/0fsf] btf{ k|df0f kq k|ltlnlk yfg — !  
#= ;f=j=p=;=sf] :jLs[t ljwfg tyf sfo{of]hgf !,! yfg  
\$= ;f=j=sf] alif{s k|ult k|ltj]bg  
%= ;f=j=p=;=sf] n]vf k/LIf0fk|ltj]bg yfg—!  
cg';"rL — @  
;fd'bflos jg pkef]Qmf dxf;+3n] km/]i6 :6]jf8{l;k sfplG;n÷:df6{p8nfO{  
lbg] lgj]bgsf] gd"gf

ldlt M

>L ;fd'bflos jg pkef]Qmf dxf;+3, g]kfn  
sf7df08f}, =====  
>L km/]i6 :6]jf8{l;k sfplG;n÷:df6{p8  
7]ufgf -j]g hd{gL\_

ljifoM ;fd"lxs jg k|dfi0fs/0f ;DaGwdf

;fd'bflos jg pkef]Qmf dxf;+3, g]kfn ;fd'bflos jg pkef]Qmf ;d"xsf]  
k|ltlglw d"ns ;+u7gsf ?kdf lbuf] jg Joj:yfkgdf sfo{/t ;+:yf ePsf] ljlbt} 5 .  
lbuf] jg Joj:yfkg nflu FSC n] :yflkt u/]sf] d"No / dfGotfx¿ cg'¿k jg  
Joj:yfkg sfo{x¿ ug{ ;fd'bflos jg Joj:yfkg gLlt tyf lgb]{lzsف tof/ ul;/s]sf] 5 .  
g]kfnsf] jg P]g, @)\$ ( tyf lgodfjnL @)%! / km/]i6 :6]jf8{l;k sfplG;n tyf  
cGt/fli6«o gLlt lgodx¿sf] clwgdf /xL xfd|f ;b:o ;d"xx¿ ;d"x jg k|dfi0fs/0f  
sfo{qmddf ;xefuL x'g OR5's /x]sf ;d"xx¿sf] sfo{of]hgf ljwfg tyf jg  
;DaGwL cEof;x¿ cjn]sg u/L b]xfo adf]ldh pkef]Qmf ;d"xx¿nfO{ ;d"x  
k|df0fL/s0f sfo{qmddf] ;j]{lf0f(Assesment ) sfo{df ;+nUg u/fpg jfF5gLo  
b]lvPsf] 5 . pQm ;d"xx¿ jg k|df0fLs/0f Assesment / k|To]s jif{ aflif{s  
Audit u/fpg OR5' /x]sf] hfgsf/L u/fpFb} pSt ;d"xx¿ sf] b]xfo adf]lhdsf]  
sfuhftx¿ ;+nUg /fvL ;|f]t k|aGwssf x}!;otn] of] lgj]bg k]z u/]sf 5f} .

lgj]bs

=====

-eLd k|;fb >]i7\_  
cWolf  
;f=j=p= dxf;+3, g]kfn

;fd'bflos jg pkef]Qmf ;d"xsf] tkm{af6  
tklzn  
;fd'bflos jgsf] gfd  
7]ufgfM  
lf]qkmnM  
;+nUg sfuhftxĴ M  
!= ;f=j= ;d"x btf{ k|df0f kq tyf  
@= ;f=j=sf] ljwfg tyf sfo{of]hgfsf] k|ltlnlk — yfg !  
#= ;f=j= sf] aflif{s cl86 l/kf]6{  
\$=;f=j= sf] aflif{s k|ult k|ltj]bg

cg';'rL — #  
pkef]Qmf ;d"x ljwfg ;f/+fz

nf} Ps k6s otf x]g'{xf];\ t <  
k|:tfjgf  
kl/R5]b –  
!=! ;d"xsf] gfd, 7]ufgf, k|f/De, p2]Zo, 5fk, / sfof{no  
!=!=! ;d"xsf] gfd  
!=!=@ 7]ufgf  
!=!=# k|f/De  
!=!= \$ pkef]Qmf ;d"xsf] p2]Zox?  
!=!= % pkef]Qmf ;d"xsf] 5fk  
!=!= ^ pkef]Qmf ;d"xsf] sfof{no  
!=@ kl/efiff

kl/R5]b – @  
;fd'bflos jg pkef]Qmf ;d"x ;DaGwL Joj:yf

@=! pkef]Qmf ;d"xsf] ;+llfKt hfgsf/L

@=!=! ;fd'bflos jg pkef]Qmf ;d"xsf] cfly{s ;fdflhs cj:yf  
 @=@ pkef]Qmf ;d"x ;b:osf] nflu of]Uotf÷ cof]Uotf  
 @=@=! pkef]Stf ;d"x ;b:otfsf] nflu of]Uotf  
 @=@=@ ;b:otf ;dfKtL jf vf/]lh -cof]Uotf\_  
 @=# ;b:otf k|bfg ug]{ / ;dfKtL jf vf/]hL ug]{ sfo{ ljlw  
 @=#=! ;b:otf k|bfg ug]{ sfo{ljlw  
 @=#=@ ;b:otf ;dfKtL ug]{ sfo{ljlw  
 @=\$ pkef]Qmf ;d"xsf] u7g ljlw  
 @=% pkef]Qmf ;d"xsf] ;b:ox?sf] sfd st{Jo / clwsf/  
 @=^ pkef]Qmf ;d"xsf] ;fwf/0f ;ef  
 @=^=! ;fwf/0f ;ef  
 @=^=@ ;fwf/0f ;efn] ug'{kg]{ d"Vo sfdx?  
 @=^=# ;fwf/0f ;efsf] sfo{ljlw  
 @=^=\$ ;fwf/0f ;efsf] sfd, st{Jo / clwsf/

**kl/R5]b – #**

**;fd'bflos jg pkef]Qmf ;ldlt ;DaGwL Joj:yf**

#=! pkef]Qmf ;ldtsf] u7g  
 #=@ pkef]Qmf ;ldtsf kbflwsf/Lx?sf] gfdjnl  
 #=# pkef]Qmf ;ldtsf] sfd st{Jo / clwsf/  
 #=\$ pkef]Qmf ;ldtsf] kbfljw  
 #=% pkef]Qmf ;ldtsf kbflwsf/Lx?sf] sfd st{Jo / clwsf/  
 #=%=! cWolf  
 #=%=@ pkfWolf  
 #=%=# ;lrj  
 #=%=\$ ;x;lrj  
 #=%=% sf]jffWolf  
 #=%=^ ;b:ox?  
 #=^ jg pkef]Qmf ;ldtsf] sfo{ ljlw  
 #=^=! b}lgs s[ofsnfk  
 #=^=@ pkef]Qmf ;ldtsf] a}7s  
 #=& pkef]Qmf ;ldlt lj36g  
 #=\* ;ldtsf kbflwsf/Lx? x6\g ;Sg] cj:yf  
 #=( kbflwsf/Lx?sf] /fhLgfd f l:js[t kb k"lt{  
 #=!) cGo ;ldlt–  
 #=!)=! ;Nnfxsf/ ;ldlt  
 #=!)=@ pk;ldltx?

**kl/R5]b – \$**

**jg sfo{of]hgf ;DaGwL Joj:yf**

**kl/R5]b – %**

**ck/fw lgoGq0f ug{ b08 ;hfosf] Joj:yf**

%=! ck/fw

%=@ ck/fwnfO{ lgoGq0f ug{ ckgfOg] tl/sfx?

%=# b08 ;hfo

%=\$ cleo'QmnfO{ ;hfo lbbf k'/f ug'{kg]{ sfo{ljlwx?

**kl/R5]b – ^**

**sf]if ;Grfng ;DaGwL Joj:yf**

^=! sf]ifsf] >f]tx?

^=@ sf]ifsf] ;~rfng

^=# sf]ifsf] pkof]u ;DaGwL Joj:yf

^=\$ n]vf kl/lf0f

**kl/R5]b – &**

**ljljw**

&=! ljwfg ;+zf]wg

&=@ pkef]Qmf ;d"xaf6 lgnDjg÷lgisf;g

&=# pkef]Qmf ;ldltsf kbflwsf/L / cGo JolStnfO{ ;'ljwfsf] Joj:yf

&=\$ j/j'emf/y

&=% ;d"xsf] gfddf gfln;÷ph'/L k/]df jf gfln; ph'/L lbg'k/]df

&=^ sfo{no Joj:yfkg , ;Grfng / clen]v

&=& 6fFrfsf] Joj:yf

&=\* jg k}bfj/ ljlqm ljt/0f ;DaGwL Joj:yf

&=( ul/j lk5l8Psf hftL hghftLnfO{ k|f]T;fxg lbg] ;DaGwL Joj:yf

&=!) lhNnf jg sfo{nosf] e"ldsf / bfloTj

&=!! ;b:otf kl/ro kq ljt/0f ;DaGwL Joj:yf

&=!@ sd{rf/L lgo'Qm ug]{ ;DjGwdf

&=!# pwf]u wGbf vf]Ng ;Sg]

&=!\$ cg'udg tyf d'No+fsg

&=!% afemLPdf ug]{

&=!^ ;ky u|x0f

&=!& cj;/ tyf df]sfx? pkof]u ;DaGwL Joj:yf

**kl/R5]b – \***

**cg';"lrx?**

! ;d"xsf] 5fk

@ 6fFrfsf] gd'gf

# ;b:otf kl/ro kqsf] gd'gf

\$ pkef]Qmfx?sf] gfdfnL  
% ;ldtsf kbflwsf/Lx?sf] gfdfnL  
^ cfo Joo clen]v /fVg] kmf/dsf] gd'gf  
&=jg k}bfjf/sf] ljs| ljt/Of /l;b  
\*= ;fd'bflos jgsf] jg k}bfjf/ ljs| ljt/Ofsf] cg'dlt kq

|

cg';"rL — \$  
jg Joj:yfkg sfo{of]hgfsf] ;f/+fz

**kl/R5]b —!**

**kl/ro**

!=) pkef]Qmf ;d"xsf] kl/ro  
jg sfo{of]hgf tof/L ljlw tyf k|s[of  
jg sfo{of]hgf ;ldlff tyf kl/dfh{g ;DaGwL Joj:yf  
!=! ;fd'bflos jgsf] ljj/Of  
!=!=) jgsf] kl/ro  
!=!=! jgsf] gfd  
!=!=@ jgsf] 7]ufgf  
!=!=# jgsf] l;dfgf  
!=!= \$ jgsf] lf]qkmn  
!=!= % jgsf] ef}uf]lns cj:yf  
!=!= ^ jgsf] wfld{s ;f+:s[lts cj:yf  
!=!= & jgsf] lsl;d  
!=!= \* jgsf] jt{dfg cj:yf  
!=@ jg Joj:yfkgsf] p2]Zox?  
!=@=! lb3{sflng p2]Zox?  
!=@=@ cNksflng p2]Zox?  
!=# P]ltxfl;s k[i7e"ld,  
jg Joj:yfkgdf cfPsf kl/jt{gx?

**kl/R5]b @**

**jftfj/0fLo k|efj d"Nof°g ;DaGwL Joj:yf**

@=! kfgLsf] d'xfg, ;DaGwL Joj:yf  
@=@ s6fg tyf ;+sng ;DaGwL Joj:yf  
@=# wfld{s tyf ;f+:s[lts dxTjsf lf]q  
@=\$ ls6gfzs ljiffbL ;DaGwL Joj:yf

**kl/R5]b —#**

**>f]t ;e]{lf0f, ;+lrlt, tyf jg k}bfjf/sf] ljj/0f**

@=! jg >f]t ;e]{lf0fsf] kl/ro

@=@ jgsf] gS;f

@=# jg >f]t ;e]{lf0f / ljZn]if0f ljlw

@=\$ d'Vo -sf7 . u}/ sf7\_ k|hfltx?sf] ljj/0f / ltgsf] pkof]lutf

@=% jg k}bfjf/sf] df}Hbft tyf cg'dflgt aflif{s a[l4 ;DaGwL ;e]{lf0fsf] ;f/+z

@=%=! sf7, bfp/f / 8fn]3fF;sf] df}Hbft ;f/+z

@=%=@ u}Xsf7 jg k}bfjf/sf] df}Hbft ;f/+z

**@=^ v08 ljefhg / ltgsf] ljj/0f**

@=^=! lf]qsf] gfd

@=^=! v08 – !

@=^!=@ v08 – @

@=^!=# v08 =====

@=^=@ lf]qsf] gfd

@=^=@=! v08 – #

@=^=@=@ v08 – \$

@=^=@=# v08 – %

@=^=@=\$ v08 —=====

**kl/R5]b –#**

**jg Joj:yfkg / ;b'kof]u**

#=! jg k}bfjf/sf] cg'dflgt dfu / cfk"lt{sf] cj:yf

#=@ bfp/fsf] Joj:yfkg

#=# sf7sf] Joj:yfkg

#=\$ :ofpnf – ;f]Q/ Joj:yfkg

#=% e"O{ 3fF; Joj:yfkg

#=^ r/0f Joj:yfkg

#=& k'g?Tkfbg Joj:yfkg

#=\* 8fn]3fF;sf] Joj:yfkg

#=( hl8a'6L tyf u}x|sf7 jg k}bfjf/ Joj:yfkg

#=!)=! h6fd;Lsf]] Joj:yfkg

#=!)=@ lr/fOtf]sf] Joj:yfkg  
#=!)=# ;'uGwjfn]sf] Joj:yfkg  
#=!)=\$ cGo hl8j'l6x?sf] Joj:yfkg  
#=!! g;{/Lsf] Aoa:yfkg

**kl/R5]b –\$**

**jg k}bfjf/ ;+sng tyf las|L ljt/Of**

\$=! e"O 3fF;  
\$=@ ;f]Q/ – :ofpnf  
\$=# 8fn]3fF;  
\$=\$ bfp/f  
\$=% sf7  
\$=^ s[lif cf}hf/sf] nflu sf7  
\$=& b}jL k|sf]ksf] nflu sf7, bfp/f  
\$=\* ljsf; lgdf{Ofsf] nflu sf7  
\$=( uf]n  
\$=!) r/g  
\$=!! hl8a'6L ÷ u}x| sfi7 jg k}bfjf/

**kl/R5]b –%**

**jg pBd ljsf;**

**kl/R5]b –^**

**pRr d"No dfGotf /fVg] jg lf]q tyf h}ljs ljljwtf ;+/lf0f**

^=! h}ljs ljljwtf]sf] kl/ro  
^=@ h}ljs ljljwtf]sf] cj:yf  
^=# h}ljs ljljwtf ;+/lf0fsf r'gf}ltx?  
^=\$ h}ljs ljljwtf]sf] ;+/lf0fsf /Of]lgt  
^=\$=! h}ljs ljljwtf ;DjGwL ;fd'bflos /lhi6/ /fVg]  
^=\$=@ h}ljs ljljwtf cg'udg

**kl/R5]b– &**

**jg ;+/lf0f ;DaGwL Joj:yf**



&=! jgsf] b}lgs cg'udg tyf x]/rfx  
&=@ cfunfuLaf6 ;+/lf0f tyf lgoGq0f  
&=# jGohGt'sf] af;:yfg ;+/lf0f  
&=\$ lzsf/ lgoGq0f  
&=% e" tyf hnfwf/ Joj:yfkg  
&=^ jGohGt' ;+/lf0f  
&= & k'g?Tkfbg ;+/lf0f  
&=\* 9'a\uf df6f], lul§ afn'jf ;+/lf0f  
&=( ;+/lf0f lzlfssf] Joj:yf  
&=!) jg clts|d0f lgoGq0f  
&=!! vf]l/of km8fgLaf6 ;+/lf0f  
&=!@cGo jg k}bfjf/x?sf] ;+/lf0f

**kl/R5]b –\***

**b08 hl/jfgf ;DaGwL Joj:yf**

\*=! cfuf]  
\*=@ jg clts|d0f  
\*=# e" – tyf hnfwf/  
\*=\$ jGohGt'  
\*=% ?v ;'sfpg]  
\*=^ ; –;fgf af]6 lj?jf  
\*=& 9'Ëf df6f], r§fg, afn'jf vlgh cflb  
\*=\* 8fn] 3fF;  
\*=( bfp/f  
\*=!) sf7  
\*=!! hl8a'6L ÷ u}x| sfi7 jg k}bfjf/  
\*=!@ k'g?Tkfbg÷rl/r/g  
\*=!# sf]ifsf] /sd lxgfldgf u/]df  
\*=!\$ ;d"xsf] sfo{df cyf{t jg Joj:yfkg sfo{df pkl:yt gePdF

**kl/R5]b –(**

**;+:yfut ljsf;**

(=! sf]ifsf] kl/rfng  
(=@ n]vf ÷ /]s8{ /fVg]

(=# ;"rgfsf] lglDt ;Dks{ JolSt  
(=\$ cGo ;fd'bflos jg pkef]Qmfx? ;+u ;Ghfnsf] ljsf;  
(=% ;/sf/L Pj+ u}/ ;/sf/L ;+:yf ;+u ;dGjo

**kl/R5]b –!)**

**ljljw**

!)=! ljuf]sf] d"No sfod  
!)=@ jg k}bfjf/sf] Innfd tyf ljs|L  
!)=# jg sfof{nosf] e"ldsf  
!)= \$ cGo ;+3, ;+:yf, sDkgL cflbsf] e"ldsf  
!)=% e"– :jfldTj  
!)=^ ;fd'bflos jgsf] cg'udg  
!)=& k|ltj]Gwt jg k}bfjf/x?sf] Joj:yf  
!)=\* k':sf/ ;DjGwL Joj:yf

**kl/R5]b – !!**

**cg';"rLx?**

cg';"rL – ! jgsf] gS;f  
cg';"rL – @ k|hftL 3gTj / jg k}bfjf/ ;+lrlt gS;f  
cg';"rL – # jg k}bfjf/ ;b'kof]u of]hgf gS;f  
cg';"rL – \$ jgsf Jnsx?sf] ?vsf] df]Hbft ljj/Of  
cg';"rL – % ;fd'bflos jgsf] jg k}bfjf/sf] lj]qm ljt/Ofsf] /l;b gd'gf  
%-s\_ jg k}bfjf/sf] ;b'kof]u ty lj]qm ljt/Ofsf] ljj/Of eg]{ kmf/d  
cg';"rL – ^ ;fd'bflos jgsf] jg k}bfj/ lbO{Psf] cg'dlt kqsf] gd'gf  
cg';"rL – & h}ljs ljljwtf ;Dj]Gw ;fd'bflos /lhi6/sf] gd'gf kmf/d  
cg';"rL – \* btf{ rnfgL lstfj, j}7s / lgOf{o, tflnd / cfuGt's k':tsfsf]

**gd'gf**

cg';"rL – (;fd'bflos jg pkef]Qmf ;d"xsf] jflif{s k|ltj]bgsf] gd'gf kmf/d  
cg';"rL – !) uf]lnof / lr/fgL sf7sf] cfotg lgsfNg] tl/sf  
cg';"rL – !! ;fd'bflos jgsf] jg k}bfjf/ ;+sng kmf/d  
cg';"rL – !@ jg k}bfjf/sf] ;+sng Ohfht kqsf] gd"gf  
cg';"rL – !# jg k}bfjf/sf] 5'6 k"hL{sf] gd"gf

cg';"rL — %  
jgsf] cj:yf cg'udg kmf/fd gd"gf

**jgsf] cj:yf cg'ud0f** M—;fd'bflos jgsf] cj:yf cg'ud0fsf] nflu k|To]s kf“r jif{df  
! k6s pkef]Qmf ;d"x tyf jg k|fljlwssf] ;+o'Qm ;+nUgtfdf ;xflutfd"ns jg  
>f]t ;e]{lf0f ul/g]5 . o;af6 pknAw tYof°x?sf] cl3Nnf] >f]t ;e]{lf0f tYof°;+u  
t'ngfTds ljZn]if0f ul/g]5 . Joj;flos ?kdf Joj:yfkg ul/g] k|hfltsf] ljZn]if0f lj:t[t  
;e]{lf0f u/Lg]5 . p=;= n] jgsf] ^÷^ dlxgfdf cg'udg ul/g]5 .

cl3Nnf]			kl5Nnf] kf+r jif{kl5		km/s			s}lkmo
++++++			;+Vof	cfotg÷;+Vof	sf7	u}=sfi7	k'g?Tkfbg	
k}bfjf/								

sf7								
!=			!=					
@=			@=					
#=			#=					
u}= sfi7								
!=			!=					
@=			@=					
#=			#=					
cGo k hflt								
slnnf k'g?Tkfbg								
kl/kSs k'g?Tkfbg								

k|dfl0fs/0f POOL sf k|To]s ;f=j=sf] aflif{s ?kdf :ynut cg'udg ul/g]5 . h;sf]  
nflu Transect walk af6 cjnf]sg / clen]v cWoogaf6 eP u/]sf] sfdsf] cg'udg  
ul/g]5 .

cg';"rL — ^  
p=;=n] /fVg] jgk}bfjf/ ;+sng clen]v gd"gf kmf/d

kl/ro kq	pkef]Q msf] gfd	cg'dltk q g+	k}bfjf/s f] gfd	;+sn g jg v08	7f p+	O{s fO{	b/	cfGtl/s				afx\o		
												/fhZj	s;nfO { a]r]sf ]	s}lkm ot
								kl/0ff d	lj]q m d" No	s'n kl/0ff d	/fh:j			

clen]v cWoog k|To]s jif{ jfxo cl86 cufj} ;f=j=p=dx f;+3 jf ;f] n] tf]s]sf]  
JolQm jf lgsfon] ug]{5 .



cg';"rL —&  
jgsf] cj:yf ljZn]if0f gd"gf kmf/fd

jg k}bfjf/sf] gfd	hDdf df}hfb	jflif{s a[l4	l;kmfl/; ul/Psf] kl/0fd	jf:tljs ;+sng	
				cfGt/ Ls	afx o
sf7 k hftL != @= # =					
u}/sfi7 k hftL Joj;foLs != @= # =					

cg';"rL — \*

pBd Joj;fodf ;+nUg JolQmx?sf] ljj/0f gd"gf kmf/d

lqmofsnfk	3/ g+	kl/ro kq	;+nUg JolQm			pTkfbg kl/0fd	s}lkmot
			dlxnf	k'?if	ljkGg		
!= pTkfbg							
@= ;+sng							
#= k zf]wg							
\$= ljlqmljt/0f							



cg';"rL —(  
;d"xleq k|fKt cj;/sf] pkof]u kmf/d

cj;/	cjlw	:yfg	efu lnPsf] JolQm			3/ g+	cfof]h s	s}km Lot
			dlxnf	k'?if	ljkG g			

cg';rL – !)

**;fd'bflos jgsf] jg k}bfjf/ lals| ljt/0f /l;b**

**>L ..... ;fd'bflos jg pkef]Qmf ;d'x  
.....**

pkef]Qmf ;d'xsf] btf{ g+Da/ M–

/l;b g+= M–

**>L =====  
=====**

<b>s =; +</b>	<b>jg k}bfjf/sf] gfd</b>	<b>OsfO</b>	<b>kl/df0f</b>	<b>b/</b>	<b>hDdf</b>	<b>s}lkmo t</b>
hDdf						

**/l;b a'lemIng]sf]**

gfd M–  
b:tvf M–  
ldtL M–

**/l;b lbg]sf]**

gfd M–  
kb M–  
b:tvf M–  
ldtL M–

## cg';'rL – !!

;fd'bflos jgsf] jg k}bfjf/ lbPsf] cg'dtL kq

**>L.....;fd'bflos jg pkef]Qmf ;d'x**

.....  
pkef]Qmf ;d'x btf{ g+= M–

cg'dtL kq g+= M–

>L =====  
=====

o; pkef]Stf ;d'xn] Joj:yfkg u/]sf] ;fd'bflos jgsf] tk;Lndf pNn]lvt jg  
k}bfjf/x?sf] d"No lnO of] cg'dlt kq lbOPsf] 5 .

s =; +=	jg k}bfjf/sf] gfd	Osf O{	kl/df0f	6fFrF eP ;f] sf] ljj/0f	j;f/ k;f/ ug{ ;lsg]		s}lkmot
					:yfg	;do	

--	--	--	--	--	--	--	--

**af]wfy{÷ sfof{y{**  
 >L lhNnf jg sfof{no, .....

cg';rL -!@  
 hl8a'6L ;+sng O{hfht kq  
**>L.....;fd'bflos jg pkef]Qmf ;d'x**

.....  
 O{hfht k|fKt u/]sf]  
 gfd, y/, jtg M  
 ;+sng ug]{ Dofb M

<b>s =; +=</b>	<b>h8La'6Lsf] gfd</b>	<b>h8La'6L ;+sng ug]{ lf]q -rf}xbL_</b>	<b>kl/df0f</b>	<b>;+sng ug]{ tl/sf</b>	<b>s}lkmo t</b>

**af]wfy{÷ sfof{y{**  
 != >L lhNnf jg sfof{no.....

@= >L =====Onfsf jg sfo{no,.....  
#>= >L  
===== .

=====

=====

=

cWolf

.....;fd'bflos jg pkef]Qmf

;d'x

cg';rL – !#  
hl8a'6Lsf] 5f]8k"lh{

>L ..... ;fd'bflos jg pkef]Qmf ;d'x

.....

>L =====

===== .

ldlt ===== sf] ;+sng Ohfht kq cg';f/  
tk;Ln adf]lhdsf hl8a'6L ===== lbg leq  
===== :yfgaf6 ===== :yfg ;Dd  
p7fO n}hfg] u/L 5f]8k"lh{ lbOPsf] 5 . af6f]df kg]{ OsfO{, Onfsf jg r]s  
kf]j6x?af6 clgjfo{ ?kdf b/kL7 u/fO n}hfg' xf]nf .

s =; +=	h8La'6Lsf] gfd	h8La'6L ;+sng ug]{ lf]q -rf}xbL_	kl/df0f	;+sng ug]{ tl/sf	s}lkmo t

--	--	--	--	--	--

**af]wfy{÷ sfof{y{**

!= >L lhNnf jg sfof{no, .....

@= >L =====Onfsf jg sfo{no,.....

#= >L

===== .

=====

=====

=

cWolf

.....;fd'bflos jg pkef]Qmf

;d'x

cg';!r – !\$

;fd'bflös jg pkef]Stf ;d'xsf] jflif{s k|lta]bgsf] gd'gf kmf/d

**!=** ;d'xsf] kl/ro  
s\_ ;d'xsf] gfd M  
v\_ 7]ufgf M

**@=** a}7s  
s\_ o; cf=j=df ePsf] ;ldltsf] a}7s ;+Vof M  
v\_ ;ldltsf] cfs!dt a}7s ePsf] eP ;+Vof tyf sf/0f M  
u\_ ;ldltsf] ;Dk"0f{ a}7sdf ePsf dxTjk"0f{ lg0f{ox? M  
3\_ ;fwf/0f ;efdf ePsf d"Vo d"Vo lg0f{ox? M

**#=** jg ljsf; sfo{  
s\_ o; cf= j= df pTkfbg ul/Psf /f]Kg nfos lj?jf ;+Vof tyf d"Vo hftx?  
M

v\_ j[lff/f]k0f ul/Psf] lf]qsf] gfd M  
u\_ j[lff/f]kg ul/Psf] lf]qkmn M  
3\_ o; cf=j=df ePsf] ;fwf/0f ;ef ;+Vof M  
a\_ j[lff/f]kgsf] nflu lj?jfsf] >f]t M  
r\_ uf]8d]nsf] ljj/0f M  
5\_ cUgL /]vf agfPsf] eP slt nfd] / s'g lf]qdf M  
h\_ cGo ljsf;sf sfdx? - hl8a'6L /f]k0f, lapF ;+sNg cflb \_

**\$=** jg ;Daw{g tyf kl/rfng sfo{x? M

l;=g+=	jg ;Daw{g÷kl/rfng sfo{	lf]q -s'g lf]qdf ul/of] _	slt lf]qdf eof]	s}lkmot
!=				
@=				
#=				
\$=				

**%= jg k}bfjf/ ;b'kof]u**

l;=g+=	jg k}bfjf/	vkt		ljj/0f k 0ffnL
		;d"x leq	;d"x aflx/	
!=	bfp/fM -s_ sfrf]			
	-v_ ;'s]sf]			
@=	sf7			
#=	s[lif cf}hf/			
\$=	e"O{3f/			
%=	:ofpnf			
^=	hl8a'6L			
&=	<ul style="list-style-type: none"> <li>- cGo</li> <li>- em/f], lbofnf]</li> <li>- uf]n</li> </ul>			

**^= sf]ifsf] ;+rfng tyf ;b'kof]u**

cfDbfgL	vr{
!= ut cf=j=sf] af+sL M @= o; cf=j df k fKt M -s_ sf7 ljqlm ljj/0faf6 M -v_ bfp/f lalqm ljj/0faf6 M -u_ :ofpnf÷3f; lalqm ljj/0faf6 M -3_ u}x  sfi7 jg k}bfjf/af6 M - <sup>a</sup> _ b08 hj/jfgfaf6 M -r_ cg'bfgaf6 M -5_ ;d"xaf6 p7]sf] M -h_ JofhM - nufgL jf6 jf a}sjf6_ -em_ cGo M	-s_ ;fd'bflos ljsf; -ufpFsf] af6f], gx/, kfgLsf] >f]t ;+/lf0f cflb_ M -v_ ef}lts k"jf{wf/ ljsf; -:s'n, :jf:Yo rf}sL, ;fd'bflos ejg lgdf{0f / d/dt_ M -u_ jg ljsf; -x]/fn', ljpF÷lj?jf vl/b, j[lff/f]k0f uf]8d]n, xfuf s6fgL, 56fgL, pGgt cf}hf/ vl/b _ M -3_ ;d'x k zf;g sfo{ - e d0f tyf b}lgs e d0f eQf, d;nGb, n]vf kl/lf0f, tna, ldl6Ě eQf, 3/ef8f, cflb _ M - <sup>a</sup> _ cGo vr{ M



<b>hDdf</b>	<b>hDdf</b>

**k|lta]bg tof/ kfg]{**

gfd M

kb M

b:tvf M

ldlt M

**k|df|0ft ug]{**

gfd M

kb M

b:tvf M

ldlt M

## Annex 12: Training workshop events in Dolakha and Bajhang

### Summary of training workshop events in Dolakha

SN	Category	No of Events	Venue	Participants level				Facilitators/Observers	Organizations	Remarks
				District		Field				
				M	F	M	F			
1	Workshop									
i	Workshop on Selection and prioritization of FUGs and CBFs for certification	1	Charikot	4		2		Harihar Neupane, Nabaraj Panta	ANSAB/FECOFUN	Selected 16 FUGs for certification in Charikot and Jiri area
ii	Workshop on OP preparation	3	FUG level	0	0	32	6	Nabaraj Panta	ANSAB	Gap analysis and OP draft preparation
iii	Workshop on Certification in FUG level.	5	FUG level	0	0	91	52	Nabaraj Panta	ANSAB	Sustainable forest management and certification
iv	Review workshop on certification activities in the field.	2	Charikot	10	2	6	6	B. Khatiwoda, R. Lamichane, G. Karki, N. Panta, H. Neupane, U. Pokharel	ANSAB/FECOFUN	Progress presentation, suggestion, feedback and planning.
v	Workshop on Cooperative strengthening	2	Charikot	15	3	34	5	D. Tamang, H. Neupane, N. Panta, Arun Sharma Paudel, Ram B. Thapa	ANSAB/FECOFUN	Progress presentation, cooperative registration, investment survey, share distribution strategy.
2	Training									
i	Site level certification training	1	Charikot	4	3	13	4	Nabaraj Panta, Ram Krishna KC, Harihar Neupane	ANSAB	Orient sustainable forest management, FSC principle, criteria for FUGs certification
ii	Certification training to facilitator	1	Charikot	2	3	6	6	Bhola Khatiwoda, Ganesh Karki, N. Panta, H. Neupane	FECOFUN/ANSAB	Orient sustainable forest management, FSC principle, criteria for FUGs certification
iii	Cluster level training on NTFPs cultivation, harvesting, processing and marketing.	4	FUG level			83	56	Nabaraj Panta, Nabaraj Khadka	ANSAB	Realized importance of NTFPs, aware resource conservation, appropriate practice of harvesting method, season and group marketing concept.

SN	Category	No of Events	Venue	Participants level				Facilitators/Observers	Organizations	Remarks
				District		Field				
	M			F	M	F				
iv	Entrepreneurship development training.	1	Charikot	5		16	1	Arun Sharma Paudel, Ram Prashad Acharya, Nabaraj Panta	DFO/ANSAB	Organized by DFO and Facilitate by ANSAB team.
3	Meeting, discussion									
i	Cluster meeting in FUG level.	152	FUG level	0	0	1990	1257	Nabaraj Panta, FECOFUN facilitator and 12 FUG level facilitator	ANSAB/FECOFUN	Orientation on sustainable forest management, FSC principle, criteria for FUGs certification.
ii	Committee meeting and assembly in FUG level	15	FUG level	0	0	353	235	Nabaraj Panta, Harihar Neupane	ANSAB/FECOFUN	OP revision, resource inventory planning and OP finalization.
iii	Certification orientation on household level.	6	FUG level	0	0	728	588	Nabaraj Panta and 12 FUG level facilitator	ANSAB/FECOFUN	Review existing situation of FUG and planning for further OP preparation.
iv	Meeting with cooperative committee member	2	Charikot	18	2	10	3	Nabaraj Panta, Harihar Neupane	ANSAB/FECOFUN	Business plan preparation of Major NTFPs and tree species, Coordination among cooperative, private entrepreneur and FUGs.
Total		195		58	13	3364	2219			

### **Details on training workshop events in Dolakha**

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
Selection and prioritization of FUGs and CBFs for certification	11 Mar 04	Charikot	4		2		Harihar Neupane, Nabaraj Panta	ANSAB/FECOF UN	Selected 16 FUGs for certification in Charikot and Jiri area
Site level certification training	12-13 Mar 04	Charikot	4	3	13	4	Nabaraj Panta, Ram Krishna KC, Harihar Neupane	ANSAB	Orient sustainable forest management, FSC principle, criteria for FUGs certification

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
Cluster meeting, Interest group discussion	22-28 Dec 03	Bhiteri CFUG			176	82	Dhana Tamang, Nabaraj Khadka	FECOFUN/ANS AB	10 cluster meeting conducted.
OP draft preparation w/s	26 Apr 04	Bhiteri CFUG			18	3	Nabaraj Panta	ANSAB	Gap analysis and OP draft preparation
Certification orientation w/s	25-28 Apr 04	Kalobhir CFUG			78	48	Nabaraj Panta	ANSAB	Sustainable forest management and certification
Certification training to facilitator	03-13 Jul 04	Charikot	2	3	6	6	Bhola Khatiwoda, Ganesh Karki, N. Panta, H. Neupane	FECOFUN/ANS AB	
OP draft preparation w/s	08 May 04	Kalobhir CFUG			14	3	Nabaraj Panta	ANSAB	Gap analysis and OP draft preparation
Certification orientation w/s	16 Apr 04	Charnabati CFUG			13	4	Nabaraj Panta	ANSAB	Sustainable forest management and certification
Cooperative strengthening w/s	27 Apr 04	Charikot	4	1	18	4	Dhana Tamang, Harihar Neupane, Nabaraj Panta, Arun Sharma Paudel, Ram B. Thapa	ANSAB/FECOF UN	Progress presentation, cooperative registration, investment survey, share distribution strategy.
Committee meeting	19 Mar 04	Bhiteri CFUG			8	5	Nabaraj Panta	ANSAB	OP revision, resource inventory planning
Committee meeting	30 Apr 04	Kalobhir CFUG			14	3	Nabaraj Panta	ANSAB	OP revision, resource inventory planning

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
Committee meeting	19 Apr 04	Charnabati CFUG			13	4	Nabaraj Panta	ANSAB	OP revision, resource inventory planning
NTFPs cultivation, harvesting, processing and marketing (Cluster level training)	29 Apr- 02 May 04	Kalobhir CFUG			83	56	Nabaraj Panta, Nabaraj Khadka	ANSAB	Realized importance of NTFPs, aware resource conservation, appropriate practice of harvesting method, season and group marketing concept.
General assembly	20 Mar 04	Suspa CFUG			115	82	Harihar Neupane, Nabaraj Panta	FECOFUN/ANS AB	
Cluster meeting	10-17 Mar 04	Suspa CFUG			140	86	Dhana Tamang, Kamala Basnet	FECOFUN	9 cluster meeting conducted.
Cluster meeting	28 Apr-03 May 04	Kalobhir CFUG			145	66	Nabaraj Panta, Nabaraj Khadka	ANSAB	6 cluster meeting conducted.
Committee and users meeting	18 Mar 04	Botlesetidevi FUG			42	24	Nabaraj Panta, Ram Krishna KC, Harihar Neupane, Dhana Tamang	ANSAB/FECOF UN/DFO	Conflict resolution for resource utilization, distribution and Certification orientation
Committee meeting, planning and Cluster meeting	20-26 Mar; 16-21 Apr 04	Charnabati CFUG			113	51	Nabaraj Panta, Dhana Tamang, Kamala Basnet	FECOFUN/ANS AB	8 cluster meeting conducted.
Cluster meeting	02-09 Aug 04	Buddha CFUG			60	40	Punya P. Subedi, Sonam Sherpa	FECOFUN	8 cluster meeting conducted.
Cluster meeting	04-09 Aug 04	Bhatekhola Kamalamai, Jhyaku			71	39	Punya P. Subedi	FECOFUN	6 cluster meeting conducted.

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
Cluster meeting	10-15 Aug 04	Pandit, Jhyaku			75	35	Punya P. Subedi	FECOFUN	6 cluster meeting conducted.
Committee and Cluster meeting	16-20 Aug 04	Botlesetidevi FUG			59	44	Kamala Basnet	FECOFUN	4 cluster meeting conducted.
Committee meeting, planning and Cluster meeting	26 Jul-03 Aug 04	Jhareni CFUG			72	47	Santosh Neupane, Shambhu Thami	FECOFUN	6 cluster meeting conducted.
General assembly	08 Aug 04	Kalobhir CFUG			68	45	Nabaraj Panta, Harihah Neupane	ANSAB/FECOF UN/DFO	OP finalization
General assembly	06 Jul 04	Bhiteri CFUG			93	72	Nabaraj Panta, Harihah Neupane, Ram Krishna KC, Ram B. Thapa	ANSAB/FECOF UN/DFO	OP finalization
Committee meeting, planning and Cluster meeting	25-30 Aug 04	Kyanse Setep, Jiri			66	55	Sonam Sherpa	FECOFUN	7 cluster meeting conducted.
Sharing workshop	20-21 Aug 04	Charikot	5	0	6	6	Bhola Khatiwoda, Rajendra Lamichane, Ganesh Karki, N. Panta, H. Neupane, Uddav Pokharel	ANSAB/FECOF UN	Progress presentation, suggestion, feedback and planning.
Sharing meeting with FECOFUN	22 Aug 04	Charikot	5	2			Nabaraj Panta, Harihar Neupane	ANSAB/FECOF UN	Planning, Reporting, Staff mobilization
Orientation to each household about Certification	15 Aug-15 Sep 04	Bhiteri CFUG			129	96	Gyan b. Tamang	ANSAB/FECOF UN	

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
Cluster meeting	26-31 Aug 04	Bhiteri CFUG			90	67	Gyan b. Tamang, Harihar Neupane, Nabaraj Panta	ANSAB/FECOF UN	6 cluster meeting conducted.
Orientation to each household about Certification	15 Aug-15 Sep 04	Charnabati CFUG			106	94	Sitaram Khatri, Ganga Neupane	ANSAB/FECOF UN	
Cluster meeting	01-08 Sep 2004	Charnabati CFUG			83	82	Sitaram Khatri, Nabaraj Panta, Punya P. Subedi	ANSAB/FECOF UN	8 cluster meeting conducted.
Orientation to each household about Certification	15 Aug-Sep 15 04	Kalobhir CFUG			112	90	Moti Jirel, Nurpa Dawa Sherpa	ANSAB/FECOF UN	
Cluster meeting	28 Aug - 04 Sep 04	Kalobhir CFUG			104	87	Moti Jirel, Nurpadawa Sherpa, Nabaraj Panta, Punya P. Subedi	ANSAB/FECOF UN	8 cluster meeting conducted.
Orientation to each household about Certification	15 Aug-15 Sep 04	Thulonagi CFUG			115	102	Birkha B. Jirel, Sarita Jirel	ANSAB/FECOF UN	
Cluster meeting	05-11 Sep 04	Thulonagi CFUG			98	84	Birkha B. Jirel, Sarita Jirel, Nabaraj Panta, Punya P. Subedi	ANSAB/FECOF UN	7 cluster meeting conducted.
Orientation to each household about Certification	15 Aug-15 Sep 04	Suspa CFUG			126	93	Birkha B. Thami, Bir B. Thami	ANSAB/FECOF UN	

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
Cluster meeting	01-07 Sep 04	Suspa CFUG			91	66	Birkha B. Thami, Bir B. Thami, Nabaraj Panta, Santosh Neupane	ANSAB/FECOF UN	7 cluster meeting conducted.
Orientation to each household about Certification	15 Aug-15 Sep 04	Jhareni CFUG			140	113	Shambhu Thami	FECOFUN	
Cluster meeting	03-08 Sep 04	Jhareni CFUG			68	52	Shambhu Thami, Santosh Neupane	FECOFUN	7 cluster meeting conducted.
Cluster meeting	30 Aug-12 Sep 04	Dhadesinghdevi CFUG			112	74	Sita KC, Sandhya Basnet	FECOFUN	11 cluster meeting conducted.
Cluster meeting	21-28 Aug 04	Sukram CFUG			119	57	Sita KC, Sandhya Basnet	FECOFUN	8 cluster meeting conducted.
Cluster meeting	19-26 Sep 04	Jiriswori CFUG			69	47	Sonam Sherpa	FECOFUN	9 cluster meeting conducted.
Cluster meeting	01-04 Oct 04	Napkeyanmara FUG			96	57	Sita KC, Sandhya Basnet	FECOFUN	6 cluster meeting conducted.
Cluster meeting	05-10 Oct 04	Shankhadevi CFUG			83	39	Sita KC, Sandhya Basnet	FECOFUN	5 cluster meeting conducted.
Total			24	9	3322	2214			
* Total household members benefited from meeting, workshop and training			4220		* Total household benefited from individual household visit			1316	



### **3. Enterprise promotion**

During this period the major effort is to support Kalinchok forest product production and processing multipurpose cooperative. The major enterprise support activities are as following;

<b>Participant's type</b>	<b>Date</b>	<b>Participants</b>				<b>Discussion agenda</b>
Committee member	12 Apr 04	9				Business plan preparation of Major NTFPs and tree species.
Committee member and private entrepreneur	17 Apr 04	9	2	10	3	Coordination among cooperative, private entrepreneur and FUGs.
Committee member, FUG representative, private entrepreneurs and line agencies stakeholders	25 Apr 04	11	2	16	1	Progress presentation, cooperative registration, investment survey, share distribution strategy.
Committee member, FUG representative and private entrepreneurs	21-24 Jun 04	5		16	1	Facilitate entrepreneurship development training organized by DFO.

*And many formal and informal discussions were held. The major subjects of the discussion were for institutional system development, registration, operation initiation etc.*

**Total participants in all activities**

**58 13 3364 2219**

### Summary of training workshop events in Bajhang

## Summary of Activities

[illegible]

i	Cluster meeting in FUG level.	116	FUG level			2643	1232	Chandika Amgain, FECOFUN mobilizer, LRP of FUG	ANSAB, FECOFUN	Awareness creation about community forest
ii	FUGs HH visit	1412	FUG level					Chandika Amgain, FECOFUN mobilizer, LRP of FUG	FECOFUN, ANSAB	Awareness creation about community forest
iii	FUGs co-ordination meeting	5	Chainpur	17	5	86	20	Chandika Amgain, Surat B. Shingh, Gagan B. Shingh	ANSAB, FECOFUN	Shairing activities of different FUGs and planning
iv	FUG general assembly	12	FUG level					FUG	FUGs	FUG organized this activities and made constitution and OP
v	Planning meeting	1	Chainpur	8	6	3		Chandika Amgain, Surat B. Shingh, Gagan B. Shingh	ANSAB, FECOFUN	One day meeting conducted for next year plan preparation
vi	Enterprise promotion activities (meetings and workshops)	4	Chainpur and Allo area			94	70	Chandika Amgain, Surat B. Shingh, Gagan B. Shingh	ANSAB/FECOFUN	Major forest product find out for enterprise, How to conduct allo Enterprise, major problem and solution, Informal meeting with NTFP trader in individual level.
<b>Total</b>		<b>1569</b>		<b>76</b>	<b>21</b>	<b>3115</b>	<b>1432</b>			

## Annex 12 Training workshop events in Dolakha and Bajhang

### Details on training workshop events in Bajhang

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
Selection and prioritization of FUGs and CBFs for certification	5 Apr 04	Chainpur	12	3	2		Chandika Amgain, Gagan B. Shing, Man P. Khatri	ANSAB, FECOFUN	Selected 6 FUGs for certification in SHREEHERBEL and Rilu area
FUG cluster meeting	4 -10 Apr 04	Kailas			385	165	Gobinda Kami, Sadhana Shing	ANSAB, FECOFUN	Meeting conducted in 10 cluster
FUG cluster meeting	14 Apr- May 15 04	Hemantawada			215	88	Sadhana Shing, Gobinda Kami	ANSAB, FECOFUN	Meeting conducted in 15 cluster
FUG cluster meeting	4-9 Apr 04	Gorkhali			65	27	Gobinda Kami	ANSAB, FECOFUN	Meeting conducted in 3cluster
FUG cluster meeting	4-10 Apr 04	Ranada			95	58	Gobinda Kami	ANSAB, FECOFUN	Meeting conducted in 4 cluster
FUG cluster meeting	4-10 Apr 04	Latun			182	108	Bam B bohora	ANSAB, FECOFUN	Meeting conducted in 1 cluster
District levele forest certification training	14-16 Dec 04	Chainpur	14	5	8	4	Chandika Amgain, Ganendra Misra	ANSAB	One Training conducted with the participation of district levele stake holder
Site level certification training	17-19 Mar 04	Kailas			16	7	Chandika Amgain, Ganga B. Shing	ANSAB, FECOFUN	One work shop conducted and orient sustainable forest management, FSC principle, criteria for FUGs

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
									certification
FUG level Certification training	29Aug 04	Kailas			9	11	Ganga B. Shing, Surat B. Shing,	ANSAB, FECOFUN	One day training conducted awareness of forest certification
FUG level Certification training	14 Aug 04	Hemantawada			21	8	Chandika Amgain	ANSAB, FECOFUN	One day training conducted awareness of forest certification
FUG level Certification training	5 Sep 04	Gorkhali			34	17	Surat B. Shing, Sadhana Shing	ANSAB, FECOFUN	One day training conducted awareness of forest certification
FUG level Certification training	6 Sep 04	Ranada			21	6	Gobinda Kami, Nabraj Bohora	ANSAB, FECOFUN	One day training conducted awareness of forest certification
FUG level Certification training	3 Sep 04	Latun			11	5	Basanta Shing	ANSAB, FECOFUN	One day training conducted awareness of forest certification
Allo procesing training	29Jan-12 May 04	Chainpur			17	4	Chandika Amgain, Kalpana Rai	ANSAB, CSIB	three month, training conducted by the co- ordination with Care Nepal and CSIB

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
LRP development training	27 Mar-2 Apr 04	Chainpur			29	4	Chandika Amgain	ANSAB, DFO	7 days, training conducted by the co-ordination with district forest office
FUG formation and facilitation training	20-30 Jul 04	Chainpur	2	1	14	7	Nab Raj Dahal, Chandika	FECOFUN, ANSAB	lead by FECOFUN for training conduction
Product development trainging	13 Feb-12 Apr 04	Kailas			8	5	Uttam Parjapati, Surat B. Shing, Chandika Amgain	ANSAB	one month, training conducted by the co-ordination with Cotage and small scale industry office, Ktm.
Forest management training	3-4 Sep 04	Kailas			15	2	Gobinda Kami, Ganga B. Shing	ANSAB, FECOFUN	2 days field based training
Forest management training	3-4 Sep 04	Hemantawada			15	5	Chandika Amgain	ANSAB, FECOFUN	2 days field based training
Forest management training	3-4 Sep 04	Gorkhali			34	17	Surat B. Shing, Sadhana Shing	ANSAB, FECOFUN	2 days field based training
Forest management training	3-4 Sep 04	Ranada			10	5	Chandika Amgain, Nabraj Bohora, Gobinda Kami	ANSAB, FECOFUN	2 days field based training
Forest management training	3-4 Sep 04	Latun			13	3	Basanta Shing	ANSAB, FECOFUN	2 days field based training
NTFP policy discussion workshop	15-16 Aug 04	Chainpur	23	1	12		Man Parsad Katri, Chandika Amgain, Surat B. Shing	ANSAB, HJSS	workshopconducted with the co ordination of HJSS
FUG HH. visit	1-11 Aug 04	Kailas					FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
FUG HH. visit	1-11 Aug 04	Hemantawada					FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG HH. visit	1-11 Aug 04	Gorkhali, Dogadi					FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG HH. visit	1-11 Aug 04	Ranada					FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG HH. visit	1-11 Aug 04	Latun					FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG co-ordination meetings	31 Jul-21 Sep 04	Chainpur	17	5	86	20	Chandika Amgain, Gagan B. Shing, Surat B. Shing	ANSAB, FECOFUN	five meetings organized
FUG tole meeting	12 Aug-5 Sep 04	Kailas			381	150	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG tole meeting	12 Aug-5 Sep 04	Hemantawada			330	215	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG tole meeting	12 Aug-5 Sep 04	Gorkhali			58	33	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG tole meeting	12 Aug-5 Sep 04	Dogadi			165	45	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG tole meeting	12 Aug-5 Sep 04	Ranada			158	94	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG tole meeting	12 Aug-5 Sep 04	Latun			108	74	FECOFUN mobilizer, FUG	FECOFUN, ANSAB	Activitty conducted by LRP

Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
							LRP		
FUG interest group meeting	19-26 Aug 04	Kailas			79	35	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG interest group meeting	19-26 Aug 04	Hemantawada			114	36	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG interest group meeting	19-26 Aug 04	Gorkhali			72	25	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG interest group meeting	19-26 Aug 04	Dogadi			95	20	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG interest group meeting	19-26 Aug 04	Ranada			86	31	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG interest group meeting	19- 26 Aug 04	Latun			55	28	FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by LRP
FUG general assembly	28Aug; 18 Sep 04	Kailas					FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by FUG
FUG general assembly	31 Aug; 18 Sep 04	Hemantawada					FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by FUG
FUG general assembly	18 Aug; 10 Sep 04	Gorkhali					FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by FUG
FUG general assembly	19 Aug; 18 Sep 04	Ranada					FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by FUG



Name of the activities	Dates	Venue	Participants level				Facilitators/ Observers	Organizations	Remarks
			District		Field				
			M	F	M	F			
FUG general assembly	18 Aug; 10 Sep 04	Latun					FECOFUN mobilizer, FUG LRP	FECOFUN, ANSAB	Activitty conducted by FUG
Annual review w/s	6 Apr 04	Chainpur					Chandika Amgain	DDC	One day meeting organized by DDC
Planning meeting	10 Oct 04	Chainpur	8	6	3		Chandika Amgain, Janmajaya Joshi	ANSAB, FECOFUN, FUGs	One day meeting conducted
Total			83	26	3018	1361			
* Total household members benifitted from meeting, workshop and training					* Total household benifitted from individual household visit				

### **3. Enterprise promotion**

During this period the major effort is to support SHREEHERBIL multipurpose cooperative and allo enterprise. The major enterprise support activities are as following;

<b>Participant's type</b>	<b>Date</b>	<b>Participants</b>				<b>Discussion agenda</b>
Feasibility study in SHREEHERBIL area	Aug -Sep 04					Major forest product find out for enterprise
FUG level meeting about Allo enterprise	Aug -Sep 04			85	70	How to conduct allo Enterprise, major problem and solution
Meeting with NTFP trader	29 Aug 04			5		Informal meeting with NTFP trader in individual level.
Meeting with lokta enterpriner	2 Sep 04			4		Informal meeting with lokta entrepreneurs.

*And many formal and informal discussions were held. The major subjects of the discussion were for institutional system development, registration, operation initiation etc.*

**Total participants in all activities**

**83 26 3112 1431**

# **NTFPs certification initiatives and its progress in Nepal**

## **Highlights of the alliance progress up to August 2004**

**Bhishma P. Subedi,  
ANSAB**

**(Asia Network for Sustainable  
Agriculture and Bioresources)**

**NNN sharing meeting  
August 27, 2004**



# Presentation includes

- About the Alliance
- Alliance goal and objectives
- Alliance progress
- Challenges



# About the Project

- Certification and Sustainable Marketing of Non-timber Forest Products (NTFPs)– Public Private Alliance (PPA)
- Alliance for Nepali NTFPs promotion
  - National and International
  - Private and Public
  - Production and Marketing
  - Communities and Business

# Project Goals

- Increase incomes and employment for Nepal's NTFPs producers
- Promote sustainable resources management
- Institute a certification program for NTFPs in Nepal, and
- Expand responsible buying practices among industry members in the west



# Innovative and Forward Looking

- Seeking models that incorporate an understanding of each actor's perspective, but are realistic on market, socio-economic, and biological issues
- Alliance for addressing third generation issues- from subsistence to enterprising mode while ensuring sustainable resource management

# Sustainable Resource Management and Forest Certification

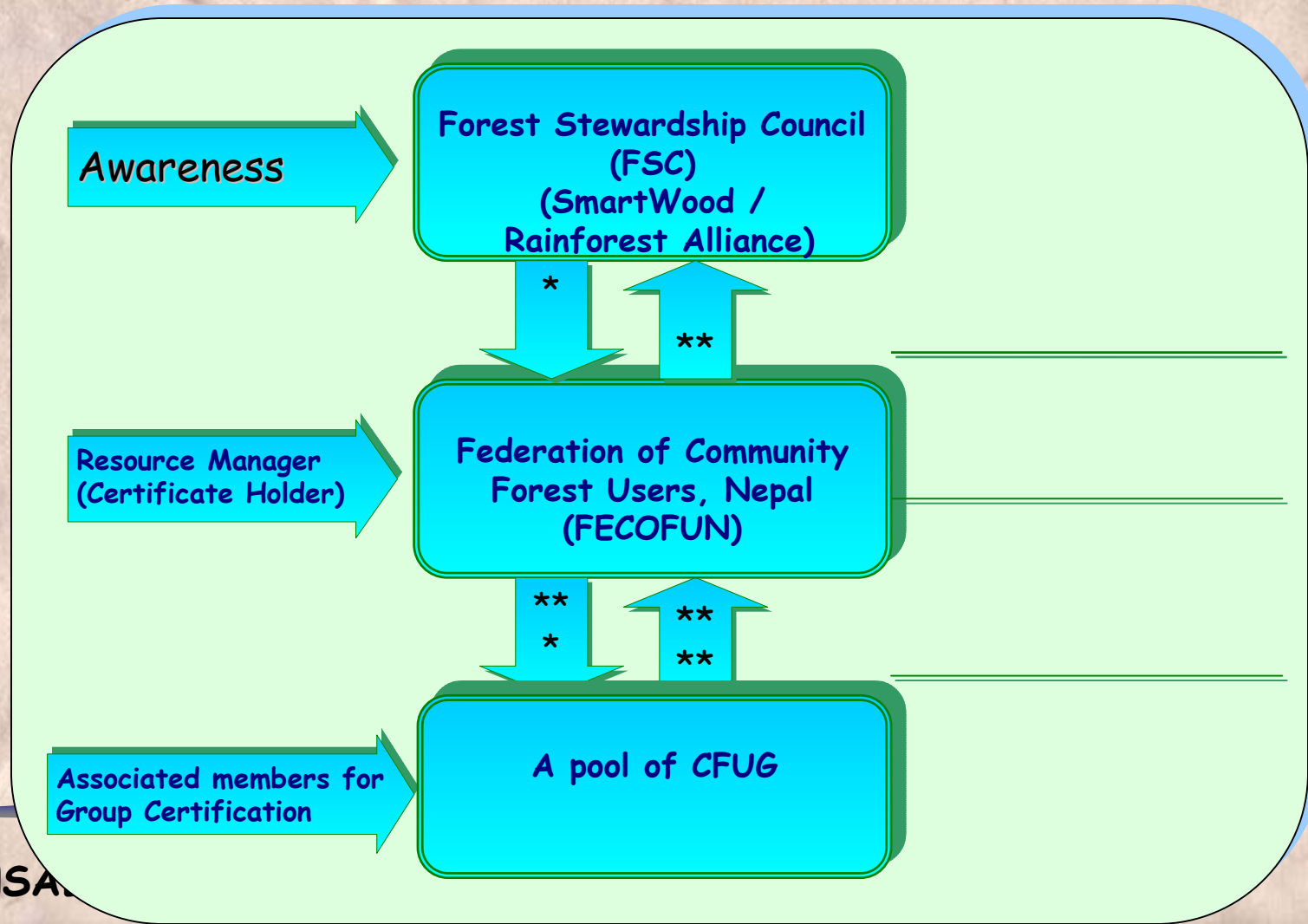
- Promoted certification as national priority agenda (strongly recognized by FECOFUN and other organizations/members) – a way to bring forest management advancement and consistency to FUGs
- Prepared NTFP certification guidelines
- Developed group certification system; expanded technical and institutional capacity



# Sustainable Resource Management...

- Pilot model finalized-FECOFUN-Certificate holder, group certification, third party assessment

**Chart 1: Forest Certification Model**



# Sustainable Resource Management...

- FUGs selected for pilot forest certification in Dolakha and Bajhang (6 from each district)
- Requirement analysis and Resource Manager's policy and guideline prepared and communicated to FUGs
- Scoping visit to FECOFUN completed

# Sustainable Resource Management...

- Built awareness and capacity in certification among multiple stakeholders
  - 90 settlement level training/workshops for 2,500HHs
  - 34 FECOFUN members; 50 district level stakeholders
  - Over 50 national level participants trained on forest certification and 26 on certification assessment;
  - 22 CoC participants; 6 participants involved in international level training/exposure visits



# Sustainable Resource Management...

- FUG constitution revised for 10 FUGs comprising over 2,500 HHs and settlement as well as household level capacity building ongoing
- Inventory completed for 10 FUGs covering over 9,300 hectares forests

# Sustainable Resource Management...

- Exemplary operational plan developed
- Operational plan reviewed and gap analyzed and OP revised for 5 FUGs
- 137 FUG members trained on NTFPs management



# Enterprise and Market Promotion...

- Strengthened capacity of CBFEs/alliance companies in marketing and business promotion-received support by GAC, AHI, HBTL, and community enterprises
- Made promotion push for Nepali NTFPs (market information, industrial leadership conference, sample distribution, packaging and labeling)
- Conducted international market assessment for Lokta paper-RA did an assessment in the US

# Enterprise and Market Promotion...

- Initiated design and development for select products (essential oils, paper, soap, tea, herbal products)
  - **HBTL developed NICO for pain relief**
  - Rara soap enterprise-soap from Pagar fruit
  - **Malika hand-made paper tested and developed new product from agricultural residues**
  - **AHI developed new product from Chiuri ghee (NICO crack, and Chiuri cream)**
  - GAC developing new products Herbo-malt and Dentache-oil
  - **HBTL working on product development from Argeli**
  - In addition, GAC developing herbal soap, herbal tea and Ayurvedic medicines; AHI developing NTFPs based juices and herbal tea



# Enterprise and Market Promotion...

- Consolidate and Marketing of the products
  - **Shree HERBIL (a marketing network of 5 FUGs) registered and initiated local level business**
  - Allo network-22 local level processors trained for three months; 15 micro-enterprises registered and planned to produce allo thread from coming season (November)
  - **Consolidated network being developed in Charikot area (15 FUGs and private entrepreneurs)- trained on business planning and enterprise management; product selection and business planning ongoing**
  - With a lead role from NSCFP- a consolidated enterprise in Jiri area being developed ( 7 FUGs)- product selection and draft business plan preparation completed in Jiri



# Enterprise and Market Promotion...

- Domestic trade networks that consolidate supply for markets and link FUGs and CBFEs (example, value added products worth over 2.5 million already sold through MHPL.
- Made in roads to US markets for Nepali NTFPs (products worth over Rs. 1.5 million already sold)
- Provided market information services including price and market information for 22 products; preliminary feedback from communities indicates they are receiving higher prices.

# Favorable Policy Environment

- Conducted NTFPs policy review, study, recommendations
- Policy review/workshops at grassroots in 9 districts
- Policy makers field visit
- National policy workshop
- Policy recommendations to Herbs and NTFPs Coordination Committee/MFSC
- Contributions to drafting new NTFP policy of MFSC/HMG and recently the draft is going to be finalized as an Act



# Challenges

- Security situation – required adaptive management and creative strategies to keep PPA project activities on track
- Overcoming new subject and knowledge gaps
- Meeting requirements of markets – identified several key ones, needs to address coming year

# Thank You





# FUGs status in Dolakha

FUG	HHs	Area	Activities		
			Resource inventory	OP & constitution preparation	OP hand over
Bhitteri-Boch,1-3	270	378	completed	Completed	
Charnawati-Veshwor-13	245	297	completed		
Suspa-Suspa	212	635	completed		
Jhareni-	173	208			
Kalobhir-Jiri-7	214	545	completed	Completed	Completed
Thulonagi-Jiri	225	239			
	1339	2302			

# FUGs status in Bajhang

FUG name and address	No. of HH	Area (ha.)	Activities		
			Resource inventory	OP and constitution preparation	Area handed over
Binayak Pimidanda (Kailash 1-7)	242	1290	Completed	completed	
Hemantawada (Hemantawada 1-9)	600	1293.5	Completed		
<u>Lahare (Gadaraya 8,9)</u>	81	1616	Completed		
<u>Binayak (Gadaraya 8,9)</u>	81	469	Completed		
<u>Ranada (Kotdeval 1,2,3)</u>	178	1981	Completed	completed	
<u>Latun (Rilu 4)</u>	63	728	Completed	Completed	Completed
Total	1245	7377.5			



The background of the slide is a photograph of a mountain landscape. In the foreground, there is a piece of light-colored, woven fabric, possibly a traditional Nepali shawl or a piece of cloth, which is slightly wrinkled and has a frayed edge. The fabric is placed over a dark, shadowed area of the ground. The background shows a steep, green mountain slope with patches of snow or light-colored rock. In the distance, more mountain peaks are visible, some covered in snow, under a clear blue sky with a few wispy clouds.

# Wild Crafting in Nepal: Challenges and Prospects for Sustainable Supply

**Bhishma P. Subedi**  
**Asia Network for Sustainable  
Agriculture and Bioresources  
(ANSAB), Nepal**



# Resource base and production

- Nepal Himalayan ecosystem - a global biodiversity hotspot: nearly 7,000 species of higher plants, out of which 10-20% MAPs, 5% of 7000 endemic to Nepal and 39% of 9,000 in eastern Himalaya
- About 42 thousand tons of over 100 NTFPs traded generating over US \$26 million each year
- The vast majority (90%) are wild crafted by poorest of the poor in remotest mountains, where 57% live below poverty line (\$59)





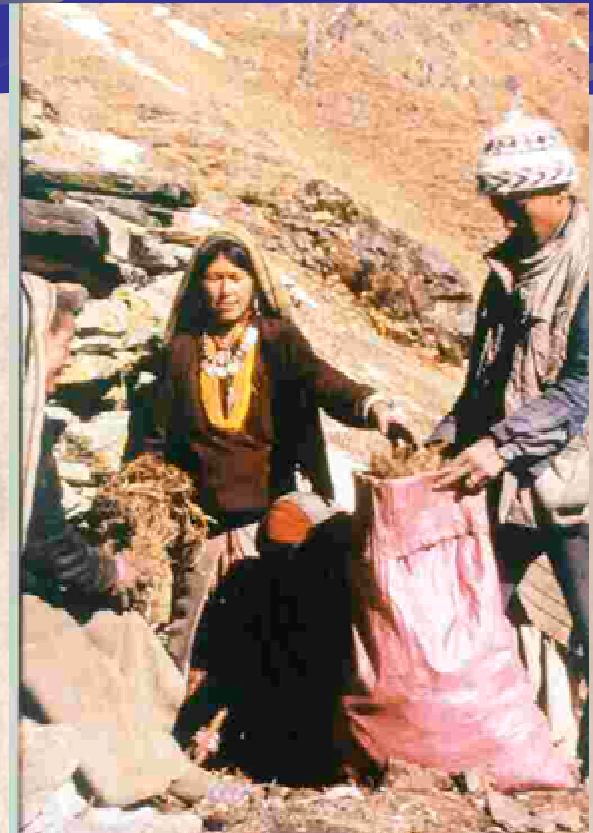
# What it takes for sustainable supply

- Forest management plans that consider all aspects of society,
- Clear land tenure with right to earn cash income from resources,
- Biological monitoring and technical information on sustainable yields or effort to do field based research to determine sustainable yield (not known for most species)
- Ideally access to value adding technologies and higher value markets to give premiums to support the conservation and biological monitoring efforts (e.g. lokta bark paper processing, essential oil processing)



# Cont...

- Traditional NTFP trade, especially MAPs, often the only source of cash for poor high mountain communities
- The products move through several hands to India and ultimately to U.S. and Europe providing very little incomes to local communities and uncertain quality supply to industries
- Leading to low incentives (to collectors, traders and industries) for conservation and threats to biodiversity, livelihoods and sustainable supply





# New initiatives and potentials

- Transition from government forest and free for all conditions to Community Forestry: over 13,000 FUGs, representing more than a third population (23m), their nationwide network and federation, >18% of forest area under community management
- 60% of total forest land potential for community forestry
- Clear cases of community initiatives to address the threats to biodiversity, where they have incentives for sustainable harvest and quality supply



# Cont...

- Extensive support and priority from government, donors and civil society
- Community based forest enterprises emerging and looking for partnership with industries in the west for long term business
- Private public alliance to promote sustainable harvesting, FSC certification, product development and market linkages





# The Nepali Non-timber Forest Product Promotion Alliance

- Nepali government;
- Nepali non governmental organizations (NGOs);
- Private companies active in the herbal products industry, including Aveda;
- An FSC forest certification organization - Rainforest Alliance;
- Community forestry user groups, represented by the Federation of Community Forestry Users, Nepal;
- And donors, including the United States Agency for International Development (USAID).



# Cont...

The Nepali Non-timber Forests Products (NTFPs) Promotion Alliance is bringing together the right mix of actors at a crucial time to link Nepal and foreign NTFP buyers, Nepali producers, and NGO, donor and government programs assisting the NTFP sector in order to:

- Increase incomes and employment for Nepal's NTFP producers (especially in remote rural areas);
- promote sustainable resource management;
- institute a certification program for NTFPs in Nepal; and
- expand responsible buying practices among industry members in the West.





# Conclusion: Looking Ahead

- Nepal's situation is not unique for wild crafting
- "Unless the general populace buys into the value and need to conserve biodiversity there are not enough soldiers, environmentalists and nature lovers to fully police and ensure the integrity of any of the world's protected area" – Prof. Burch
- Supporting better partnership between harvesters and industry when a product primarily comes from wild crafting can be a win-win

# Issues/Questions to be discussed

- How the current market can be restructured to address the issue of inadequate incentives to local communities for conservation?
- What are the expectations of industries from local communities (suppliers and stewards of the resources) for the long term sustainable supply?



**From:** Saved by Microsoft Internet Explorer 5

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**PCA-Medicinal Plant Working  
Group 2003 Symposium**

**Medicinal and  
Aromatic Plant  
Industry -  
Sustainable  
Sourcing:  
Environmental,  
Social and  
Business Benefits**

**October 14-15, 2003  
Sheraton Rittenhouse Square  
Philadelphia, Pennsylvania USA**

**SYMPOSIUM OVERVIEW**

The 2003 Symposium will focus on different production systems in the botanical raw materials supply chain. Expert panels will discuss the

constraints and opportunities in the MAPs supply chain. Symposium participants will take part in working groups to discuss various options and perspectives toward achieving sustainability.

### **KEYNOTE SPEAKERS**

Josef Brinckmann - Traditional  
Medicinals, Inc.

Bill Popin - Young Living Essential Oils  
and US Pharmacopeia

### **WITH OPENING REMARKS FROM**

Leon Secatero - Navajo Canoncito  
Dominique Conseil - Aveda Corporation  
Michael McGuffin - American Herbal  
Products Association

### **EXPERT PANELS WITH INTERNATIONAL PERSPECTIVES ON THE MAPS SUPPLY CHAIN FROM**

Wild Crafters  
Smallholder & Commercial Farms  
Indigenous Groups & Practitioners  
Industry using MAPs  
Conservation & Environmental  
Organizations

### **AND, OUR MASTER OF CEREMONIES**

Mark Blumenthal - American Botanical  
Council

### **2003 SYMPOSIUM OBJECTIVES**

- To understand the supply and demand issues facing the MAPs industry
- To address environmental, social and commercial benefits to sustainable sourcing
- To examine the MAPs supply chain for constraints to and opportunities for sustainability

- To identify existing models for sustainable use of MAPs in industry
- To chart a path for addressing MAPs sustainability and conservation on an industry-wide basis and the role of the Medicinal Plant Working Group in that effort

**WE ARE PLEASED TO ANNOUNCE THE ATTENDANCE OF THE MPWG-ELDER'S CIRCLE.**

Our Elder's Circle provides the MPWG with insight on indigenous perspectives of medicinal plant use and conservation. This year, they will share individual accounts of sustainable sourcing issues. Members include: Susan Burdick (Yurok/Karuk), Ray Couch (Cherokee of the Appalachians), Tis Mal Crow (United Lumbee/Hitchiti), Jane Dumas (Kumeyaay), Rudy Hall (Accohanock), Janice Longboat (Mohawk), Cecelia Mitchell (Mohawk) and Leon Secatero (Canoncito Navaho).

**HIGHLIGHTS FROM 2002 SYMPOSIUM: INDUSTRIAL LEADERSHIP FOR THE PRESERVATION OF MEDICINAL AND AROMATIC PLANTS**

The First Symposium on Industrial Leadership for the Preservation of Medicinal and Aromatic Plants (MAPs) was held in 2002. Focusing on several MAPs used by industries with botanically-based product lines, the Symposium examined the global status of and available research on MAPs, with an eye toward exploring industry's role in MAPs sustainability and conservation. Participants included representatives from major pharmaceutical companies, herbal medicine based companies, conservation groups, indigenous peoples, US Government Agencies and international botanical gardens. Many MPWG members had the opportunity to meet for the first

**2002 CONSENSUS OF PARTICIPANTS**

- We endorse the [Plant Conservation Alliance](#) (PCA), and the [Plant Conservation Alliance-Medicinal Plant Working Group](#) (PCA-MPWG) and its mission
- We acknowledge that we are all stakeholders in the preservation of plants
- We recognize that we need guidance from our indigenous elders
- We intend a more formal structure for industry participation in PCA and PCA-MPWG
- We will hold another Industrial Leadership meeting in about one year to assess our progress toward formalizing a structure

time and we saw the formalization of the PCA-MPWG- Industry Committee.

**The 2003 Symposium has been organized by members of the Plant Conservation Alliance-Medicinal Plant Working Group (PCA-MPWG)**

The MPWG was formed in 1999 by representatives from government, industry, academia, tribes and environmental organization to focus on medicinal plant conservation issues. With more than 200 members, the MPWG is the largest of four working groups under the Plant Conservation Alliance (PCA). PCA is a consortium of 10 federal agencies and more than 190 non-federal cooperators representing various disciplines within the conservation field. PCA provides a forum for collective focus on native plant conservation and restoration issues. The PCA also serves as the IUCN (World Conservation Union)-North American Plant Specialist group. For more information, visit <http://www.nps.gov/plants>.

**Special thanks to our [sponsors](#) and the symposium planning committee...**

- Ann Koontz - Enterprise, Environment and Social Impact Consulting
- David Hircock - Aveda Corporation
- Edward Fletcher - Strategic Sourcing
- Michael McGuffin - American Herbal Products Association
- Natasha Hall - American Herbal Products Association
- Patricia DeAngelis - US Fish & Wildlife Service
- Trish Flaster - Botanical Liaisons
- Wayne Owen - USDA Forest Service



Photos provided by Steven Foster Group, Inc. <http://www.stevenfoster.com/>

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**Community Forestry and Non-timber  
Forest Products  
Policy Research Workshop**

*July 28-30, 2004*

**Workshop Proceedings**



**ANSAB**

**Asia Network for Sustainable Agriculture and Bioresources  
New Baneshwor  
P.O. Box 11035, Kathmandu, NEPAL**

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## Abbreviations

ANSAB	Asia Network for Sustainable Agriculture and Bioresources
CF	Community Forestry
DFO	District Forest Office
DDC	District Development Committee
FUG	Community Forest Users Group
FUGC	Forest Users Group Committee
FECOFUN	Federation of Community Forestry Users, Nepal
IDRC	International Development Research Center
MAP	Medicinal and Aromatic Plant
MAPPA	Medicinal and Aromatic Plants Program in Asia
MFSC	Ministry of Forests and Soil Conservation
NNN	Nepal NTFP Network
NGO	Non Governmental Organization
NTFP	Non Timber Forest Products
OP	Operational Plan
VDC	Village Development Committee

## Executive Summary

ANSAB (Asia Network for Sustainable Agriculture and Bioresources) organized a Community Forestry and NTFP policy research workshop on July 28-30, 2004 at Godavari congregating high level government representatives from DPR, DoF, MFSC; donor organization, IDRC; representatives from grassroots community, private sector organizations, and participants from relevant NGOs and INGOs.

The objective of the workshop is to carry out experiential learning of key stakeholders in the framework of participatory action research on policy formulation process of the decisions made in the past digging into the reflection, impact experimentations, experiences and outcomes. To come up with the objectives there were efforts made on how the processes carried out in the past have helped in formulating policy. And then, the workshop tried to get to the strategies to further go on participatory action research.

The first day of the workshop initiated with a warm welcome that Mr. Bhishma P. Subedi offered along with a presentation on overview of policy research rationale, framework and methodology. Mr. Subedi articulated presenting a research framework, in the research action we will enter into from the decision, what the factors are influencing upon the decision, the basis of it; tools, environment, how it was implemented and what are the outcomes. Dr. Udaya Raj Sharma, Dr. Keshav Kanel, Mr. Bhola Bhattarai, Mr. Lal Kumar KC and other participants also addressed the workshop along with their expectation and suggestions in the session.

After the introductory session, Dr. Madhav Karki, Dr. Udaya Raj Sharma, Dr. Keshav Kanel and Dr. Mohan Wagle made presentations amassing the policy process related issues.

In the group work session the participants individually identified current policy issues, mutually prioritized them and selected issues for further analysis. Participants were divided into three groups and the groups made presentations on royalty, taxation, ban, restriction and lifting, inventory and institutional structure.

The major recommendations made in the meeting were implementation of policy issues that would address conservation and livelihood together and their balance in implementation, convincement and encouragement to the politicians for the appropriate policy imposition, development of moral enhancement and operation of constraints to make effective policy decisions and avoidance of policy implementation without consultation.

The significance of the workshop is that the attempt of policy research itself was an initiative and a new step in the community forestry and NTFP sub-sector. Participants from high level government body, donor organizations, NGOs/INGOs and relevant stakeholders appreciated the initiative with an expectation that the research outcome would create easier environment for government to further make and implement policy decisions and others to learn the lessons. The another productive substance is that some representatives on behalf of their organizations gave hands to completely support working towards the policy research model while others appreciated and encouraged to step on further strides. The positive responses from the government bodies and happiness towards it from the grassroots representative were other enabling ambiances the workshop created.

The workshop went fruitful drawing out clear ways and making findings of some cases of policy decisions made in the past. Initiative in the policy research work and wise discussion among grassroots to the national level participants were the major aspects of workshop appreciated by all the participants.

# Section 1 Introduction, Objective and Process

## 1.1 Introduction

Community forestry in Nepal has become one of the best models in the world in terms of forest resources conservation, management and poverty reductions. Nepal is advancing as a leader towards creating conducive policy environment as well as promoting and up-scaling best practices in the process of community forestry including NTFPs management. Till date, considerable progress has been realized in this area with the involvement of a variety of stakeholders including government, non-government and private sectors. However, from stakeholders' reflection and learning objectives, and creating pitch and strategies so as to move forward in this initiative, there are very limited research, scanty documentations and unconsolidated information. In this context, ANSAB organized a two days long community forest and NTFP policy research workshop ( ***annex 1 for the program detail-please contact ANSAB if needed***) congregating key stakeholders and representatives from Ministry of Forests and Soil Conservation (MFSC), Department of Forest (DoF), Department of Plant Resources (DPR), Himalayan BioTrade Limited (HBTL), Federation of Community Forestry Users, Nepal (FECOFUN), Business Development Services-Marketing and Production services (BDS-MaPS), Himali Jadibuti Sarokar Samuha (HJSS), Nepal Forum for Environment Journalists (NEFEJ), The Netherlands Development Organization (SNV), Natural Resources Management Sector Assistance Programme (NARMSAP), New Era, ANSAB (Asia Network for Sustainable Agriculture and Bioresources) including representative from donor organizations International Development Research Centre (IDRC). The detail list of participants is given in ***annex 2***.

## 1.2 Objectives of the workshop

The objective of the workshop is to carry out experiential learning of key stakeholders in the framework of participatory action research on policy formulation process of the decisions made in the past digging into the reflection, impact experimentations, experiences and outcomes. The specific objectives of the workshop were

- Review and share the methods and processes of formulating policies in the areas of community forestry and NTFP sub-sector in Nepal;
- Identify issues and cases on policy process from grass-roots, district and national level experiences; and
- Interact in an informal setting among the concerned stakeholders like high level government bodies, grassroots level community people, federations, private organizations, NGOs and INGOs; institute them to cooperate in the initiative; and bring out recommendations for the appropriate policy reforms.

## 1.3 Process and Method

The process of the workshop included:

- Introduction
- Presentations and discussions
- Plenary identification of policy issues and constraints
- Selection of issues for further analysis, group works and sharing
- Brainstorming on options and strategies

## Section 2 Highlights of the Workshop

### 2.1 Introductory Session

The workshop set about in an informal setting, a cozy and agreeable environment. Welcoming all the participants, and highlighting the objectives of the workshop, Mr. Bhishma P. Subedi, Executive Director at ANSAB opened up forum and called on all to take an easy way in communication that wouldn't halt what the spirit of everyone wants to spell out.

After welcome speech from ANSAB ED, Mr. Indu Bikal Sapkota (NRM/CF Manager ANSAB) requested participants to bring together expectations on what the workshop would come up with; expectations from the participants emerged cohesive and correlated.

Making a fresh start, Mr. Bhishma P. Subedi, presented an overview of policy research rationale, framework and methodology (*annex 3-please contact ANSAB for detail of the presentation*). The specific objective will be how the processes carried out in the past have helped in formulating policy and now, we want to get to the strategies and to go on participatory action research, said Mr. Subedi. Detailing the rationale of the research and conceptual framework, he articulated, in the research action, we will enter into from the decision, what are the factors influencing upon the decision, the basis of it, tool, environment, how it was implemented and what is the outcome. After his presentation, a short while was spent for queries and clarifications.

Dr. Udaya Raj Sharma said policy makes big impact. Policy eases and hardens the process of NTFP management and marketing. Citing an example of Yarsagumba (*Cordyceps sinensis*) he said, though we know that the royalty rate should be cut down, we don't know how much royalty should be imposed. If royalty rate is curtailed and keep up with 7 or 8 thousand, we assume that the royalty collection will boost up. The way of conclusion in this regard should be explored and made. I am happy to say that the reduction is under process.

In a query, are we being specific, Mr. Subedi responded, our focus is community forestry and NTFP sub-sector limited to the issues of hills and mountains which are so much inter-related. This is a very good approach, said Dr. Bishnu Hari Pandit. Mr. A.L. Joshi also went along with it. Mr. Joshi further reasoned, this is good approach because this is the process oriented study. Mulling over the initiatives taken in the policy research

works, Mr. Subedi said it's not possible to do everything all at once. It is a time consuming process.

Responses came from the forum that we should not get feared of the sensitive security situation in bringing voices of community people to come up with the policy research process. Stronger voices will come from the people suffered by the insurgency.

While bringing out the voices of the community people we should not say them that the policy will be formulated in respect with the government's interest. If the community people are convinced that the government will not turn its deaf ears to their voices we can congregate their support, said Mr. Bhola Bhattarai.

Mr. Bhim Prasad Shrestha said, equity issues, past initiatives in the policy, lessons learned and prediction in the policy perspective require to be thought over. He added, the research on policy process should oblige us to change our way of thinking.

Many positive changes in policy making process are bringing into practice these days, said Mr. Lal Kumar K.C. We are doing practical exercise whenever ANSAB organizes such policy forums. We are happy that our recommendations have been included in the upcoming policy reforms. Still, we want all our recommendations would come into the policy reforms.

Exploring some instances of the policy research issues, Mr. Bhishma P. Subedi notified, why ownership of the policy decisions was not taken or why the implementation process is incomplete? We want to include these questions in our study as well.

## **2.2 Presentations and Discussions**

In this section, highlights of each presentation along queries and clarifications are briefly mentioned. The detail of each presentation is referred in the respective annex.

### **Presentation of Dr. Keshav Kanel**

*Decentralized forest management in Nepal: synergy of economic development governance a local capacity building (annex 4-please contact ANSAB for paper and presentation)*

Dr. Kanel started from what the policy is with empirical statements, policy should be very practical. He further explained about the policy making process and changes. He said policy is always dynamic. Though coordination is important, in some cases, the coordination is so much difficult. And so, he reasoned, there are some world wide challenges in the environmental management.

Referring to the present context, he said, policies are made but implementation has been weakened. Yet, implementation capacity is the world's problem. To come up with the concrete result, we should equally convince and encourage the politicians, which have been difficult for us of late. Another challenging issue is that whether forest should be under community ownership or of the state.



Neither do we have big level stock nor have money problem, said Dr. Kanel. Social capital is important for development where binding and breezing is crucial. Society itself should take over the development responsibility. Unless and until we understand the complexity of policy issues, we can not be successful. This indeed is a socio-political process not a physical issue, agreed the meet.

In a query of Mr. Bhola Bhattarai if autonomy is not there, great problem may be created, Dr. Kanel responded, autonomy should be in place of the social context, I said it should be building and bridging. First we should be independent and later we should be interdependent, added Mr. Bhishma P. Subedi.

Dr. Karki expressed happiness when he found himself among the discussion of wise people. When the discussion went intensive, Dr. Karki said every state is managing the contradiction between the livelihood and conservation. We usually ask for balance of conservation and livelihood in developing products. When the resource does not mount up, the development will be failed. In the case of development process, he said not only decentralization but also devolution is required uniformly. Digging into the policy research perspective, excellent policy expert is as crucial as the good research, good analysis and good policy.

In a concern about livelihood and conservation, he said, only one model does not work everywhere. Conservation and livelihood both are the outcome. He also consented that community forest and NTFP sector can not only work for the poverty reductions. Participatory outcome monitoring mechanism should be developed. All types of resources, financial resource, human resource, technical resource, and natural resource should be available to get expected outcome in this regard. We should be informed and learn the lessons from others but should not replicate.

There are also situations that we are happy in policy implementation, said Dr. Bishnu Hari Pandit. Adding on it, Dr. Sharma said the policy decisions made so far were not made through perfect policy making process or through the wider consultation. Until and unless moral enhancement and operation of constraints are not cultivated, nothing can be done, further added Dr. Sharma, we should realize the weaknesses and make the policy well, we will not lack human resources. And the policy should be multi-sectoral. We should also bring out ways how to avoid culture of policy imposition without consultation.

### **Presentation of Dr. Udaya Raj Sharma**

*Complementarities and contradictions between conservations and livelihoods (annex 5-please contact ANSAB for paper and presentation)*

The objective is how to make the policy planning process effective, said Dr. Sharma. NTFPCC has actively worked out for a year in preparing draft of NTFP policy bringing out the wide range of grassroots consultations.

Sometimes wrong policy may come. Despite the fact that Kutki is banned, still illegal trade of Kutki is rampant. In this context, there appeared the policy is not functioning well and it egged on the illegal trade. From this standpoint, government would better to carry out research in this issue and make appropriate provision, said Dr. Sharma.

Dr. Keshav Kanel said governance is the driving force which should be autonomous as well as interdependent. Along with it, conservation and livelihood should be stepped forward together. Dr. Sharma said, is the objective of community forest at present is only the conservation or livelihoods? Dr. Sharma suggested, we should be obvious where to head towards, either towards commercialization or conservation or capitalization, whereas we are working only one or two sides. Unique local opportunity should be capitalized, argued Dr. Sharma. This is not hard and fast but understanding of priority and bringing it into mind is crucial, emphasized Dr. Sharma.

#### **Presentation of Dr. Mohan Wagle**

*Integrated watershed approach and policy outcomes in relation to community forestry and NTFPs management in Nepal (annex 6-please contact ANSAB for paper and presentation)*

According to the presentation of Dr. Wagle, more than 50 % of world's population depends directly on these watersheds for water to grow food, generate energy and to drink. Watersheds are vital for the ecological health of a country. Watershed shelters immense flora and fauna and provide important sources of forest products including major forest products and Non-timber Forest Products (NTFPs). For the sustainable water shade management, inevitable factors like forest, agriculture, soil, biodiversity, water, social economic culture, human resources, local resources and NTFPs should be integrated. The major points Dr. Wagle highlighted were critical role and concern of watershed, threats to NTFPs from watershed degradation and awareness issues, increasing awareness of NTFPs in watershed, sectoral policies including NTFPs.

#### **Presentation of Dr. Madhav Karki**

*Creating Champions, Planting Ideas, Connecting Adversaries: IDRC's Experiences in Policy Influencing (annex 7-please contact ANSAB for presentation)*

Policy champions should be encouraged, and they are very important in a study like this, according to Dr. Madhav Karki, Regional Program Coordinator at MAPPA, IDRC, Canada. Revealing some issues in the community forestry and NTFP policy sector, he presented some restraining factors in policy including politics and bureaucracy. He also shared the IDRC's experiences in the policy sector, policy linkages and lessons learned.

### **2.3 Identification of policy issues and constraints**

Through brainstorming and discussion, the participants identified the current policy issues, mutually prioritized them and selected issues for group works. *(Annex 8-please contact ANSAB for identified policy issues)*

In the process of identifying policy issues, Mr. Bhim Prasad Shrestha said, what can be the factor that affects implementation and why the policy could not be effective in implementation? There may be tiny but important things beyond it.

Mr. Bhairab Risal said, it would be better to sort out the recommended issues in the policy research process, follow up with what are taken or what are not taken. I am ready to help what is delivered or what is not. We'd better to analyze what's going on.

Mr. Bhattarai shared a chronological ebb and flow of the policy decisions in the past in terms of community forestry policy process. The trend, as he presented, shows that the policy impact went well after a long drawn out experiences and again now the process is heading towards decreasing wave.

Expressing views on the complicated aspect of the policy making process, Mr. Bhairab Risal put forward a potential phenomenon that may arise to discourage people in participation. He said, in the progression of policy forming, initially draft is made amassing enormous endeavor. When act is formulated an extent of satisfaction came across. Yet much effort is required to make the act a regulation and moreover sub-regulation is necessitated in some cases. In such long winded process, people may loose encouragement. We should not let our feeling and spirit lost on the way of progression.

Mr. Bhishma P. Subedi said we look different issues differently. In the social aspect, we think very differently from the spontaneous flow. We asked all to include whatever left over issues time and again. NTFPCC has already passed the policy. The policy draft underwent a long process. We are usually bringing the lessons learned into practice.

## **2.4 Group Work and Group Presentations**

Mr. Indu Bikal Sapkota and Mr. Surya B. Binayee facilitated the session. The participants were divided into three groups and asked for work using the research framework. The major suggested details were who are the stakeholders called on for accumulating suggestion for policy, where the data came from, what are the outcomes, was the process participatory or not, how were the outputs, did it go towards implementation or not, who did what, how the decision came.

The participants were also asked to find out ways that are not known and to take out the extent that is known about the policy issues. The groups firstly explored policy decisions; identified issues and challenges, policy formulation process and thereafter made out impacts and recommendations.

The group works were done on the following issues, and each group made out a brief presentation (*annex 9-please contact ANSAB for group presentation*):

- Royalty, taxation, ban, restriction and lifting
- Resources assessment and inventory
- Institutions arrangements

## **2.5 Closing**

At the closing, Mr. Bhim Prasad Shrestha expressed belief that ANSAB has well coped to get recommendations from the government. I hope so much from the workshop that ANSAB does well in this sector. Dr. Nirmal Bhattarai said the workshop took in very good objective and the workshop went well. Let's work together to completely fulfill the spirit of the workout the workshop aspires in future in the next informal forum. Dr. Bhattarai also thanked ANSAB for organizing such workshop.

Mr. Bhola Bhattarai appreciated ANSAB saying it has set up commendable reputation in the community forest and NTFP sector. And it has done a lot to bring out voices of grassroots people which the government listens to. We have no ways to convey our voices to the government without ANSAB. I am very happy that I saw government people very positive in the workshop. But its important that how can we use their positive ness and our happiness, added Mr. Bhattarai. I think that the research model will work well moreover I wish the output of research would work towards guiding the process. In this regard, I am ready to contribute on behalf of FECOFUN.

Mr. Lal Kumar KC requested more workshops to be held of this kind, and added ANSAB is doing a lot in bringing out grassroots level voices for the policy reformation intent.

Mr. Shambhu Rai said it is the matter of happiness that the government people have stepped up a long stride in the social aspect. The workshop has been very good from the learning standpoint. He expressed happiness over the active participation of high ranking government people in the workshop.

Mr. Surya B. Binayee and Mr. Indu B. Sapkota were in the opinion that they found the workshop more interesting and different from others. They expect that the research model would help to uplift the effective policy implementation process. They thanked all the participants for the energetic and output oriented involvement.

Mr. Bhishma P. Subedi said we got the perceptions of various stakeholders including the government and non government. We learnt from them. We also thought of to bring their views in this respect, from this point of view, we have been successful. We have just stepped into an initiative and there are lots to do ahead, added Mr. Bhishma P. Subedi. He said that he was thankful to Dr. Madhav Karki (IDRC, New Delhi) for financial assistance in organizing this workshop. At the end, he thanked everybody for their active participation and invaluable contribution, and requested them to support in this endeavor in the days to come.

## **Section 3: Recommendations and Conclusion**

### **3.1 Recommendations**

- It would be better to look upon conservation and livelihood issues in order to step up them together and how they have been addressed in the policy implementation process
- We should be obvious where to head towards, either towards commercialization or conservation or capitalization.
- To come up with the concrete result, we should equally convince and encourage the politicians, which have been difficult for us of late.
- Bring out ways how to avoid culture of policy imposition without consultation.
- Moral enhancement and operation of constraints should be cultured to bring out effective policy decisions.
- The research would better also to look over how the issues and voices of the community people have been included and neglected in the policy making process.
- Research should oblige us to change our way of thinking.
- Security sensitive issues should be brought into mind while implementing the research model. Limitation may be fruitful to be discussed at length in terms of the security sensitive situation in bringing out the voices of the people i.e. how to take in the voices of the people of the areas made vulnerable by security issues
- Cases from Terai region would have been better to consist of in the selection criteria in the research model. District selection and ANSAB's area would better be considered more
- Conservation should not only be the slogan.

### **3.2 Conclusion**

The community forest and NTFP policy research workshop held on July 28-30 on Godavari come to an end with tangible findings, a concrete result of participatory action research as an initiative in the community forest and NTFP sub-sector of Nepal.

Participants expressed happiness that the government people came out very appreciative in the meeting and the government has stepped up a long stride in the social aspect. In the run that many positive changes are going to be brought into practice these days, grassroots representatives expressed pleasure over those forums where ANSAB has repeatedly been providing opportunities to exercise practically in order to contribute to the policy reformation process. The discussion on policy process went intensive among the prudent and wise arguments of policy champions and the real voices of the grassroots people.

The forum strove at getting reflection from the high level government representatives taking part in the meeting. Policy issues under the periphery of community forest were looked through in the workshop. Identification of policy issues and discussion over them at length in process was the major outline the meet made out.

The significance of the workshop is that the attempt of policy research itself was an initiative and a new step in the community forest and NTFP sub-sector. Participants from the high level government body, donor organizations, NGOs/INGOs and relevant stakeholders appreciated the initiative with an expectation that the research outcome would create easier environment for government to further make and implement policy decisions and others to learn the lessons. The another productive substance is that some representatives on behalf of their organizations gave hands to completely support working towards the policy research model while others appreciated and encouraged to step on further strides. The positive responses from the government bodies and happiness towards it from the grassroots representative were other enabling ambience the workshop created.

## **Annex 1 Workshop Program**

<b>July 28, 2004: Arrival of the participants at Godavari Village Resort by 19:00</b>	
19:00-19:30: Registration of the participants	
<b>July 29, 2004</b>	
<b>Time</b>	<b>Topic/Sub-topics</b>
9:00-9:30	Welcome, introduction and workshop objectives
9:30-10:00	Overview of policy research rationale, framework and methodology- By Mr. Bhishma P. Subedi
10:00-10:20	Clarifications and discussion
<b>10:20-10:40</b>	<b>Tea Break</b>
10:40-11:00	Decentralized forest management in Nepal: synergy of economic development, governance and local capacity building-By Dr. Keshav Kanel
11:00-11:10	Clarifications and discussion
11:10-11:30	Role of research and information dissemination in policy analysis and formulation in Nepal-By Dr. Damodar Parajuli
11:30-11:40	Clarifications and discussion
11:40-12:00	Integrated watershed approach and policy outcomes in relation to community forestry and NTFPs management in Nepal-By Dr. Mohan Wagle
12:00-12:10	Clarifications and discussion
12:10-12:30	Complementarities and contradictions between livelihoods and conservation in Nepal: policy responses and practices: By Dr. Udaya Sharma
12:30-12:40	Clarifications and discussion
<b>12:40-14:00</b>	<b>Lunch</b>
14:00-15:30	Plenary brainstorming on identification of major policy issues and constraints
<b>15:30-15:50</b>	<b>Tea Break</b>
15:50-17:00	Plenary reflection upon the methods and processes of formulating policies in the areas of community forestry and NTFP sub-sectors in Nepal
17:00-17:30	Wrap up of the day's work
19:00-21:00	Yarsagumba video show and reception Dinner
<b>July 30, 2004</b>	
<b>Time</b>	<b>Topic/Sub-topics</b>
9:00-9:30	Recap of yesterday's works and clarifications
9:30-11:00	Plenary brainstorming and analysis of how research and grassroots experiences influenced the forest policy making and shaping process in Nepal
<b>11:00-11:20</b>	<b>Tea Break</b>
11:20-13:00	Continue brainstorming and analysis of how research and grassroots experiences influenced the forest policy making and shaping process in Nepal
<b>13:00-14:15</b>	<b>Lunch</b>
14:15-16:00	Group works on assessment of the effectiveness of the specific tools, experiences and insights in formulating forest policies targeting the gender and marginalized communities, and recommend different strategies and options for appropriate policy reforms in community forestry and NTFP sub-sectors (2-3 groups) <b>Tea at 15:30 included</b>
16:00-17:00	Presentation of Group works and discussion
17:00-17:30	Wrap up and closing of the workshop
<b>18:00</b>	<b>Departure</b>

## ***Annex 2 List of Participants***

S/No.	Name	Designation	Organization
1.	Dr. Udaya Raj Sharma	Director General	DPR
2.	Dr. Madav Karki	Regional program coordinator	IDRC
3.	Dr. Keshav Raj Kanel	Deputy Director General	DoF
4.	Dr. Mohan Wagle	Chief Planning Division	MFSC
5.	Mr. Bhola Bhattarai	General Secretary	FECOFUN
6.	Ms. Munni Gautam	Assistant Forest Officer	CFD/DoF
7.	Mr. A. L. Joshi	Technical Advisor	NARMSAP
8.	Mr. Lal Kumar K.C.	Treasurer	HJSS
9.	Mr. Bhairab Risal	Member	NEFEJ
10.	Mr. Bhim Pd. Shrestha	Chairperson	FECOFUN
11.	Mr. R.P. Lamsal	Deputy Regional Director/ Far-western Regional Forest Directorate	MFSC
12.	Mr. Francisco Tolentino	Advisor	SNV-Nepal
13.	Dr. Nirmal Bhattarai	Coordinator	MAPPA-Nepal
14.	Dr. Bishnu Hari Pandit	Project Director	NEW ERA
15.	Mr. Rajiv Pradhan	Deputy Team Leader	BDS-MaPS
16.	Mr. Shambhu Rai	Monitoring and Evaluation Team Leader	BDS-MaPS
17.	Mr. Bhishma P. Subedi	Executive Director	ANSAB
18.	Mr. Surya B. Binayee	Program/Admin manager	ANSAB
19.	Mr. Indu B. Sapkota	CF/NRM manager	ANSAB
20.	Ms. Shova Adhikari	Information Officer	ANSAB



## ***Annex 9 Group presentations***

### **Group 1**

#### **Royalty, taxation, ban, restriction and lifting**

##### **Forest regulation:1995**

- – Ban on collection (complete ban): Panchaule, Yarsagumba(1 piece – 500)
- Raw export ban (Sugandhakokila, Sugandhawal, Jatamansi, Sarpagandha, Jhyau, Silajit, Taxus)
- DFO given decision making power on punishment/fine except yarsagumba and Panchaule (according to the regulation)

##### **Process**

- Criteria for selection of species for ban and restriction: no explicit bases/logic, whatever basis taken, not communicate to concerned stakeholders
- Process of policy making did not recognize the need to consult stakeholders
- Involved were  
Comment: DG and DFO –secretary (MFSC), Minister (MFSC), MoF- cabinet ?  
MoTC ?  
(Investigation needed)

##### **Outcomes: -**

- HMG royalty decreased to zero in case of Yarsagumba, Panchaule, significantly on others
- Over harvesting continued
- Illegal trade flourished (export)
- Collectors income decreased, poverty increased
- Support to corruption
- No evidence/perception of positive outcomes
- No effective monitoring and implementation

##### **Policy and decision-2057**

- Complete ban on bark of Okhar, Kutki, Panchaule (as it is), Withdrawn of yarsagumba
- Raw export: as it is, add on yarsagumba
- In the case of timber: complete ban on felling  
In community forest: Chap, Khayar, Sal, Satisal, Bijayasal, Simal, were banned

##### **Process:**

- No proven and concrete scientific reason to impose ban
- Little changes after wider protests arose from relevant organizations and stakeholders

- In imposition and withdrawal of the ban no consideration done towards the context of the neighboring countries and CITES.  
-Those banned in Nepal are open according to CITES and those banned in CITES are opened in Nepal
- Ban on chiraito without any study and again withdrawal of ban on chiraito without any study
- No consultation with stakeholders while imposing ban
- Under pressure from the stakeholders and civil society, minimum openness and amendment

#### **Outcomes:**

- Changes made in this regard could not help achieve the targeted results. (situation as it is)
- No provision was made for the monitoring and evaluation of implementation and impact of the policy and regulation.
- Royalty of Yarsagumba was raised in minimal extent though not as expected.
- Collectors able to get more money since they got market information of Yarsagumba.

#### **Royalty and taxation**

##### **1995: Royalty rate mentioned in the regulation**

- Royalty rate was confirmed indifferently and roughly (Same rate of twelve types of Chiraito, royalty rate of Pakhanved is more than of its market price.
- Lack of knowledge in the authoritative body and no attempt was made towards fulfilling the lack.
- More than one name of the similar species and different royalty rates
- No attempts done from the government in the foreign export and more difficulties to be borne in India.
- Availability and sustainable development was not considered by DFO while giving collection permit (Technical knowledge and data)
- Two window system in the taxation

#### **Process**

- Lack of obvious reason
- No consultation with concerned stakeholders
- DG-----Secretary (MFSC)-----Minister---Cabinet
- Complex process required to be amended the once made regulation

#### **Outcome:**

Not remarkable reforms in royalty in the favor of users and NTFP management.

## **Group two**

### **Inventory**

- **Policy decision**

- Inventory should be done at hand over or renew of the community forest
- Guideline implemented for the need
- Stock prepared for timber
- Silent about the NTFP
- More complicated and technical
- Not participatory
- Forest management not integrated while giving training to the field staff and users

### **Issues and challenges**

- Speed of community forest reduced
- Dependency over technicians increased
- Not objective oriented, limited only in formality
- Inventory should be done not only of the forest based NTFPs but also of the wetland products, tourism, wildlife and of other environmental services
- Felling of timber was promoted legally after the inventory was implemented
- In some of the community forests they have concept that timber should be chopped down according to the annual production (particularly in the mid hills)
- Useful tool for those who want to do well

### **Adopted process**

- Initiation of the most primitive guidelines was started from a particular project through inadequate discussion and homework. Very limited technical persons were involved. (2056)
- When difficulty in implementation was realized by other programs and projects, ministry decided to apply own methods (2057) and amended the above mentioned guidelines was amended and translated into Nepali. (2058)
- Third times again? federation of community forest users group presented written recommendations after the amendment process set about
- Workshop organized to amend the guideline in 2059/60 (Phalgun 12). Users group on behalf of federation of community forest users Nepal took part. Recommendations called on from other stakeholders but the suggestions were not included in the guideline
- The condition of the guideline of late is unknown
- There is no ownership of other stakeholders in the guideline

- Only the work of government official (ranger) is validated

### **Recommendations**

- Community forest inventory and inventory of the NTFP should be integrated
- Community forest should be categorized into enterprise oriented and livelihood oriented and inventory should be done only in the enterprise oriented community forests
- Guideline should be made practical, simple, useful and users oriented
  - Consultation required from all the stakeholders
  - Technical words should be translated into understandable Nepali language
  - Focus should be given more to the process rather than in the content
  - Training in the local level and prepare focal person
  - The guideline should adopt flexibility considering the local necessities
  - Provision of regular technical service while implementing the guideline
  - Orientation to the technicians accordingly the guideline after it is prepared

## **Group 3**

### **Institutional structure**

1. Forestry Master Plan– 2045
2. Forest Act-2049
3. Forest Regulation-2051
4. Community Forest Guideline-2058

### **Policy decisions, 2045; 2049**

- Community forest users group formation, registration and organization
- Community forest users group can set up enterprise
- Community forest users group can do collection, management, price fixation and sale of the forest products

### **Challenges appeared in the forestry master plan**

Policy can not be implemented unless and until it becomes legal

### **Challenges of the forest act**

- Not obvious process of forest hand over and users group formation
- Demand of community forest increased from the community people

### **Challenges of the forest regulation**

- Not obvious hand over process
- Not obvious role of the concerned stakeholders

- Not obvious role and qualification of the facilitators

#### **Environment conservation act/regulation-2053/54**

- Consideration of EIA and IEE while setting up an enterprise while community forest can not invest for the IEE and EIA

#### **Community forest guideline – 2058**

- Facilitators of non governmental organization can facilitate for the formation of community forest

#### **Issue**

- Decision of the users group can amend the operational plan of the community forest users group while 2 years to be waited for

Collaborative Forest Management Guideline – 2060 (Secretary level decision without consultation)

- Involve all the stakeholder for the forest management

#### **Issues**

- Prevent on hand over of the community forest users group
- Ownership confiscated from the users group
- Ruling of the tricky people in the benefits

Deforestation in Terai region is likely to happen which may egg on the hilly region also

#### **Decision/Impact**

- Formation and registration of community forest users group
- Community involvement in forest management increased
- Improvement in the capacity of the forest
- Enterprise establishment
- Formation and development of networks
- Groups of similar interest formed
- Increase in the women participation (In decision making and benefit sharing)

## **Annex 26 Minutes of the NNN sharing meetings**

### **Meeting minutes Of 21<sup>st</sup> sharing meeting of NNN**

*ANSAB meeting hall  
Bhimsengola, Baneswor  
January 28, 2004  
1PM to 3PM*

#### **List of Participants**

1.	Mr. Sagendra Tiwari	IUCN, Nepal
2.	Mr. Nirmal K. Bhattarai	IDRC, MAPPA, Nepal
3.	Mr. Kamal Bhandari	Forest Action
4.	Mr. Rajiv Pradhan	BDS/Maps
5.	Mr. Bob Nanes	BDS/Maps
6.	Mr. Chhotelal Chaudhary	CECI, CMAPSL
7.	Mr. Rajendra Khanal	CARE, Nepal
8.	Mr. Rana B. Rawal	BIRD
9.	Mr. M. L. Jaisawal	NEW ERA
10.	Mr. Pankaj K. Das	HNTFPCC
11.	Mr. Bishnu Hari Pandit	NAF
12.	Ms. Laxmi Paudel	FECOFUN
13.	Mr. Francisco Tolentino	SNV/Nepal
14.	Dr. Udaya Raj Sharma	DPR
15.	Mr. Bhairab Risal	NEFEJ
16.	Mr. Bhola Bhattarai	FECOFUN
17.	Mr. Man Prasad Khatri	HJSS
18.	Mr. Mohan Baniya	HJSS
19.	Mr. Parbat Gurung	HBTL
20.	Mr. Bhaweswor Das	SION
21.	Mr. Bhishma P. Subedi	ANSAB
22.	Mr. Indu Bikal Sapkota	ANSAB
23.	Mr. Ram Hari Subedi	ANSAB
24.	Ms. Shova Adhikari	ANSAB

#### **Agenda of the meeting**

Discussion on NTFP Policy

#### **Major highlights of the meeting**

The meeting was intensively focused on the policy issues relating it with market and some security issues rampant at present situation.

#### ***NTFP policy***

Mr. Pankaj Das, member of Herbs and NTFP Coordination Committee presented a policy document aiming at the upcoming national workshop for the Herbs and Non-Timber Forest Products development policy of Nepal.

Adding on it, Dr. Udaya Raj Sharma expressed the intention and efforts made to mobilize herbs and NTFPs to increase the national income as a whole. He further said, co-operatives, partnership among farmers, traders and entrepreneurs in respect with the collection and enterprise is important most to be considered to plan for the promotion of NTFPs.

The policy paper was made after the wide consultation with relevant national, international and local community based organizations, Dr. Sharma said, Nagarkot policy workshop organized by ANSAB helped a lot to bring the wide consultation from different relevant stakeholders.

Dr. Udaya Raj Sharma time and again called on comments and suggestion as if it would lead to bring voice to the upcoming national workshop.

The policy draft is prepared addressing the voice of the grass root people.

What is more, the meet supported an argument to design separate policy for the Indian market singling it out from the policy for international market and trade.

### ***NTFPs and current situation***

Participants paid attention to depth on the security sensitive issues. They mutually argued, if we do not tackle with NTFPs for its use and management, the Maoist problem will went on worse.

Besides, difference between the FUG and individual farmer was internalized in order to address the grass root problem.

Mr. Bhola Bhattarai, secretary of Federation of Community Forest Users Group (FECOFUN), expressed fear that if the problems of FUG grass-root people are suppressed there inside, problems in the case the problems are suppressed in the similar platform.

### ***NTFP and its' market***

In a concern, how to make linkage of the collection of community forest products up to the market, a concept of cooperative was considered to be promoted.

Presenting a paper on BDS MaPS, Dr. Bob Nanes said market is a dictator and organizing factor to the community forest production and advised to feel more of trade fair.

The participants ingeniously expressed commitment to make Nepal a supermarket for the NTFP.

To sum up, the meeting went fruitful bringing out recommendable policy issues and an effective preparation for the national policy formulation.

***The meeting was presided over by Dr. Udaya Raj Sharma.***



**22<sup>nd</sup> Sharing meeting of NNN**  
**ANSAB meeting hall**  
**April 7, 2004**  
**1 PM to 3 PM**

**List of Participants**

<i>S/No</i>	<i>Name</i>	<i>Organization</i>
1.	Dr. Udaya Raj Sharma	DPR
2.	Mr. Bhishma P. Subedi	ANSAB
3.	Mr. Bhairab Risal	NEFEJ
4.	Mr. Indu Bikal Sapkota	ANSAB
5.	Dr. Nirmal Bhattarai	IDRC/MAPPA
6.	Mr. Hem Raj Neupane	Forest Action
7.	Mr. Rakshya Pandey	CRT/N
8.	Mr. Rajiv Pradhan	BDS-MaPS
9.	Mr. Bholu Bhattarai	FECOFUN
10.	Mr. Lal Kumar KC	HJSS
11.	Mr. Bishnu Hari Pandit	NEW/ERA
12.	Mr. Francisco Tolentino	SNV/Nepal
13.	Mr. Ram Hari Subedi	ANSAB/BDS/MaPS
14.	Mr. A. L. Joshi	NARMSAP
15.	Mr. Prem Raj Tiwari	GAC
16.	Mr. Ajaya Bikram Manandhar	WATCH
17.	Ms. Shova Adhikari	ANSAB

**Agenda of the meeting**

- Recap of 21<sup>st</sup> NNN sharing meeting
- Reflection upon research and grassroots experiences influencing community forestry and NTFPs policy process in Nepal

**Summary of the meeting**

The meeting came up with some solid outcomes in concretizing the national policy draft in line with making it more effective. The participants were called on for making suggestions to the coordination committee members that will be later discussed in the NTFPCC meeting in process of finalizing the NTFP policy draft. Realizing the potentials of favorable policy environment, all the participants appeared enthusiastic to cite policy implications on the basis of some cases. Additionally, the meeting formed a task force for submitting a requisition letter to the ministry of forest and soil conservation. As the requirement of policy research was widely realized, the meeting also decided to carry out research on the under mentioned areas comprising of the chronology of tax imposition and its withdrawal as well as the complication of policy.

- Texus
- Yarsagumba
- Kutki
- Chiraito (ban and lifting on ban)

- Bark of Okhar
- Community Forest 40% (benefit sharing)
- IEE/EIA
- Enterprise registration

### **Recap of the 21<sup>st</sup> sharing meeting of NNN**

Mr. Bhishma P. Subedi, Executive Director of ANSAB recapitulated the agenda and outputs made through the last NNN meeting. Calling for more agenda from the participants to be discussed, he asked Dr. Udaya Raj Sharma to sum up the policy issues brought forward in the last meeting.

With detail of further improvements made in the NTFP policy preparation process, Dr. Sharma said a committee comprising of 13 members was formed to prepare the draft for NTFP policy.

A national workshop was organized in a bid to further review the draft policy, bringing about wide range of consultation. The prepared draft will be reviewed again through the Non Timber Forest Product Coordination Committee, affirmed Dr. Sharma.

Dr. Udaya Raj Sharma called on the meeting participants to make consultation with the NTFPCC members for further recommendation to the National policy before it is discussed in the NTFPCC for finalization.

Citing an example of reluctant Nepali entrepreneurship, he desperately remarked the Nepali big herbal companies heading towards India in search of market and money.

### **Task force for requisition letter**

Scrutinizing the reasons for potentiality of consent from the ministry, Mr. Bhairab Risal asked for a requisition letter to be submitted to the Ministry of Forest and Soil Conservation. A task force was also formed to come up with this effort. Amidst the task force are Mr. Bhairab Risal, Mr. Ram Hari Subedi, Mr. Bhola Bhattarai and Mr. Mohan Baniya.

### **Highlights of the discussion**

According to Mr. Bhishma P. Subedi, the credit for improvements made in creating favorable policy should go to the community forest. Furthermore, Subedi asked for effort in bringing voice of grass root people on the legislation level for policy reformulation.

Adding on the remarks of Subedi, Dr. Udaya Raj Sharma cited an instance of Yarsagumba (*Cordyceps sinensis*) emphasizing that the government should cut down the tax rate for Yarsagumba on the basis of a detailed account of its sale rate. Additionally, he affirmed the organizations like ANSAB should be called for collection of such data and analysis of details.

The participants appeared hopeful as the King has prioritized NTFPs promotion in the Himali region after his recently ended thorough observation of the state of the people and place over the region.

Mr. Bhola Bhattarai from FECOFUN pointed out the hurriedly formulated laws and their negative implication with affirmation that the law should be formulated after wide consultation from the grass root people and only the sort of legal statements makes sense to the common people, that is liable and people make use of it.

Citing some undergoing works like nursery establishment on behalf of the Department of Plant Resources, Dr. Sharma inferred that community people are making improvements in the cultivation of NTFPs.

As Mr. Bhishma P. Subedi asked for some cases of the process of policy formulation and its effect, Mr. Bhola Bhattarai including others exemplified the current situation defected by the lack of policy. Amongst the cases was recently withdrawn 40% taxation, complexity of newly developed guideline of the government, debatable issue of 3 KM boundary for enterprise set up and success of community forest.

Calling NNN as a multi stakeholder forum, Mr. Subedi appreciated the mutual attempt and success made on behalf of the NNN as well as the consolidated use of the resources.

*The 22<sup>nd</sup> meeting of NNN was presided over by Mr. Bhairab Risal.*

**23<sup>rd</sup> Sharing Meeting of NNN**  
**ANSAB meeting hall**  
**August 27, 2004**  
**3 PM to 5.30 PM**

**Participants**

<b>S/No</b>	<b>Name</b>	<b>Organization</b>
18.	Dr. Udaya Raj Sharma	DPR
19.	Dr. N. N. Tiwari	HPPCL
20.	Dr. K.C. Paudel	MFSC
21.	Mr. A. L. Joshi	NARMSAP
22.	Dr. Domodar Parajuli	MFSC
23.	Mr. Bhishma P. Subedi	ANSAB
24.	Mr. Surya B. Binayee	ANSAB
25.	Mr. Bhairab Risal	NEFEJ
26.	Mr. Indu Bikal Sapkota	ANSAB
27.	Mr. Prem Raj Tiwari	GAC
28.	Mr. Lal Kumar K.C.	HJSS
29.	Mr. Francisco Tolentino	SNV/Nepal
30.	Mr. Bob Nanes	BDS-MaPS
31.	Mr. Man B. Khatri	HJSS
32.	Mr. Amleshwar Singh	LFP
33.	Ms. Bunu Vaidya	IUCN
34.	Mr. Khilendra Gurung	HBTL
35.	Mr. Rajendra Lamichhane	FECOFUN
36.	Mr. C.L. Chowdhary	CECI, CMAPSL
37.	Mr. Rana B. Rawal	BIRD/ EHP
38.	Mr. Prakash Sayami	CFD, Department of Forest
39.	Ms. Sony Baral	ANSAB

**Agenda**

- Review of 22<sup>nd</sup> NNN sharing meeting
- NTFP certification initiative in Nepal and its progress
- NTFP promotion activities in Nepal: Sharing and updating

Mr. Bhishma P. Subedi, Executive Director of ANSAB welcomed the participants of the twenty third sharing meeting of Nepal NTFP Network. Mr. Subedi made presentation on the NTFPs certification initiative in Nepal. The participants were then called on for making suggestions on NTFPs promotion. All the participants gave their views on royalty and clear specification of cultivated species in Rajpatra to make ease for the producers, specifying cultivated species was realized as an important issue and so requested all to send specific information to ANSAB regarding it.

**Policy Issues**

Mr. Indu B. Sapkota made recap on NTFP policy issues. He said after the intensive brainstorming, five issues were identified; a) Importance of NTFPs in community forest,

b) Royalty issues (fluctuation in royalty ratio), c) In the policy enterprise concept has not included d) Multiple taxes (VDC, DDC etc) e) Ban and release of NTFPs.

Adding to Sapkota, Mr. Subedi said by the brainstorming, a draft was prepared and after that a national workshop was organized in a bid to further review the policy draft, bringing about wide range of consultation from the people working for government in forestry sector. And he added at present focus is given on certification and marketing then widening the focus on cultivation and other side in the future.

Responding to Mr. Man P. Khatri, Dr. Damodar Parajuli said royalty collected by selling products could be used in community forest management and social development by CFUG, which clearly mentioned in the policy.

Most of the participants requested Dr. Parajuli that the royalty rate of Yarshagumba should be decreased. At last, Dr. Parajuli considered the participants voice and agreed to make attempt from his side to make royalty Rs. 10,000 per kg.

Mr. Rana B. Rawal said that decreasing the royalty rate would help to sell the Yarshagumba legally in the market, which could increase the revenue.

Dr. KC Paudel added that revenue should be collected from the purchasers but not from the collectors, so that collectors should not be suffered.

### **Certification**

Mr. Subedi made a presentation on NTFP certification initiative in Nepal and its progress. He said that to export the NTFPs of Nepal to the international market, different institution (private & public) are acting. And some other organizations are also helping on non-profit way. Main goal of the certification is to increase the income & employment of the producers. And he added that for Nepal, NTFPs certification guideline has been prepared, which designs CFUG as a pool and FECOFUN as authorized certificate holder. And assessment is to be done by the third party.

Dr. N.N Tiwari said that NASSA is also working in different places, what's the difference among them, asked Dr. Tiwari.

Responding the question Mr. Subedi went ahead in his presentation and gave an example about the pilot certification program which was started with 6 CFUGs in each two selected districts. These CFUGs were selected according to the certification criteria.

### **NTFP marketing**

Citing the example of HBTL, he said that NTFPs worth equal to 2.5 million \$ were sold to the international market in 2004. Though there were many challenges when doing the marketing of the products, he explained, we hope certification will help to some extent in this regard.

Mr. Tiwari queried on the export of product to America, and for this he wanted to know whether certification help for exporting.

Responding to Mr. Tiwari, Mr. Subedi said that it could help the purchaser to know whether the product is from the sustainable managed forest. Adding to Mr. Subedi, Mr.

Rawal clarified that now different companies are doing their business in certain product but in the future if the forest is certified it will be easy to sell all kinds of products.

Mr. Bhirab Risal pointed out, when talking about the market we should not be limited to the European and American markets but also see the alternatives like Arabian market.

Responding to Mr. Risal, Mr. Subedi said that Nepali Paper in America cost 6 times more than the cost of products available at local level. He added after certification, it would be easy to advertise the products and simplicity for their marketing.

Citing an example of the Pakistani ambassador advertising Nepali product Dr. Uday R. Sharma said different people working in different interacting fields might advertise that product.

Supporting to Dr. Sharma, Mr. Rawal told that Nepali Ambassadors could play role regarding this.

Adding to above view, Mr. Risal said “why don’t we serve Nepali tea and other products when we organize conference and seminar? This will help to advertise our products” In addition, he said that displaying our products in our ambassador offices could be the strong means of advertising.

Diverting the discussion, Mr. Rawal said that there are numbers of herbal products in the market but most of them are not maintaining the quality. Taking the example of herbal tea, he said that they are packed by putting different chemicals to make it more durable. When we send the product outside the country they need organic packaging, so we have to see many aspect not just only sanitation.

Mr. Subedi requested to those who have such type of facilities to bring and share in the forum, which can help to the companies and members working in this field.

Mr. Khatri opined regarding the royalty that it would be better to promote internal market first then focus to the international market. He added that if the NTFPs royalty could be reviewed in every 2 years it helps to adjust the product selling cost and the royalty rate on time. The discussion would come up to the issue on responsibility of sustainable harvesting of Loth salla in Bajhang.

Mr. Subedi thanked Dr. Parajuli and appreciated the efforts he is doing regarding the matter. He claimed that specifying cultivated spp. of NTFPs, as in case of timbers, would be useful to promote NTFPs trade; there would be no hindrance in taking permits for export.

According to Dr. Sharma, he found in Banglore that 20 species are listed in gazette, in which 99% found in the cultivated land and 1% in the forest. These types of species can be sold with out taking export permit; people don’t have to face difficulties.

Supporting this, Dr. Parajuli explained that workout is under progress for private production

Dr. Paudel said “it depends upon the locality i.e., in some localities some species are totally available in the forest while totally cultivated in others so it is difficult to identify

Adding on above remarks, Mr. Surya B. Binayee suggested that for knowing the species by localities, it would be possible to take the scheme of species from the farmers.

*The meeting was presided over by Mr. Lal Kumar KC, treasurer of Himali Jadibuti Sarokar Samuha.*